

**THE RELATIONSHIP BETWEEN EMPLOYEE PARTICIPATION IN  
DECISION MAKING AND JOB SATISFACTION  
( A CASE OF GONDAR CITY REVENUE ADMINISTRATION)**

**A Thesis Submitted to the Department of Management for the Partial Fulfillment of  
the Requirements for the Degree of Masters of Business  
Administration**

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UNIVERSITY OF GONDAR  
COLLOGE OF BUSINESS AND ECONOMICS  
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COLLAGE OF BUSINESS AND ECONOMICS

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### STATEMENT OF AUTHOR

I, Teshager Baye, hereby declare that the thesis titled **“The relationship between employee participation indecision making and Job Satisfaction (A case of Gondar city revenue administration)”** submitted to University of Gondar, in partial fulfillment of the requirements for the award of the Degree of Master of business administration in management with respect to originality and quality. The ideas and views of other researchers have been duly expressed and acknowledged.

Date\_\_\_\_\_ signature of the candidate\_\_\_\_\_

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## **CERTIFICATION**

This is to certify that the thesis prepared by Teshager Baye, entitled “The relationship between employee participation indecision making and Job Satisfaction (A case of Gondar city revenue administration)” and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration complies with the regulations of the University and meets the accepted standard with respect to originality and quality.

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## **Acronyms**

JDI ---Job Descriptive Index

MSQ-- Minnesota Satisfaction Questionnaire

PSQ--- Pay Satisfaction Questionnaire

JDS ---Job Diagnostic Survey

JSS---Job Satisfaction Survey

JIG-- Job-In-General Scale

JSQ----- Job Satisfaction Questionnaire

SPSS -----Statistical Package for Social Science

GCRA -----Gonder city revenue administration

PDM-----Participation in decision making

### ***Abstract***

*The present study is an insight about the relationship between employee participation in decision making and job satisfaction. This study was conducted on the positivism approach to research. The data was collected by structured questionnaire from Gondar city revenue administration. So as to achieve the objectives of this study, information was gathered through self administered questionnaire from a sample of 125 respondents of Gondar city revenue administration employees. These respondents were selected using stratified sampling technique. The data collected from the questionnaire were analyzed using statistical tools such as mean, standard deviation, correlation, and simple linear and multiple regression analysis.*

*In the descriptive analysis the results showed that overall level of employee participation in decision making in the revenue administration is low (mean=2.68) and also many of the respondent responded that they were dissatisfied by their work in both intrinsic, extrinsic and overall level of job satisfaction with a low (mean=2.44).*

*Employee knowing of organizational aims and targets is significantly, positively related and best predictor of participation in decision making, advancement and working conditions are significantly, positively related and best predictor of intrinsic satisfaction and extrinsic satisfaction respectively.*

*The findings indicate that a significantly strong positive correlation was found to exist between overall job satisfaction and participation in decision-making ( $r=0.597$ ).*

*The findings indicate also a positively strong correlation between participation in decision-making and intrinsic and extrinsic job satisfaction in relation to advancement ( $r=0.698$ ); independence ( $r=0.667$ ); use of skills and abilities ( $r=0.547$ ); responsibility ( $r=0.533$ ); compensation ( $r=0.609$ ) and working condition( $r=0.533$ ). The findings indicate that the level of job satisfaction for workers at GCRA increases proportionately with an increase in their level of participation in decision-making.*

***Key words: participation in decision making, job satisfaction and Gondar city revenue administration.***

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the Study**

Participation is the mental and emotional involvement of people in group situations that encourages them to contribute to group goals and share responsibility for them. There are three important ideas regarding participation in decision making-involvement, contribution and responsibility.

Firstly, participation means meaningful involvement - rather than mere muscular activity.

A second concept in participation is that it motivates people to contribute. They are empowered to release their own resources and creativity to achieve the objectives of the organization (Newstrom 2005). Participation especially improves job satisfaction by helping employees understand their paths towards goals.

Finally, participation encourages people to accept responsibility for their group activities. It is social processes by which people become self involved in an organization and want to see it work successfully (Newstrom & Davis, 2004).

Participation can have statistically significant effects on performance and job satisfaction (Wagner et al 1997).

Participate practices may provide power opportunities earlier to minority workers in an increasingly diverse workforce, since such workers need not wait until reaching higher organizational levels. It also helps to satisfy the awakening employee need for meaning and fulfillment at work. Participation typically brings higher output and a better quality of output. It tends to improve job satisfaction because workers feel more accepted and involved in the situation. Turnover and absences may be reduced if the workers feel that they have a better place to work (Newstrom & Davis, 2004).

Ethiopia political democracy has also become the criterion for organizational system, processes, structures and procedures. The Ethiopian Labor Proclamation No. 42/1993 was promulgated in the spirit of international labor conventions as well as the provisions of the constitution. Ethiopia has ratified International Labor Standards (the Right to Organize Convention No. 87 of 1948) and (Collective Bargaining Convention No. 98 of 1949) which form the basis for trade union rights. Moreover, the Labor Proclamation provides that workers shall have the right to establish and form

trade unions and actively participate in trade union activities (Article 113(1)). Both the Act and Constitution dictate participative practices at both organizational and national levels respectively. It is this participative that is prerequisite improved morale eventually translates in increasing employee job satisfaction improved productivity, better quality products and enhanced service to customers. Among other things, the Ethiopian labor relation and trade union Policy (MOLSA, 1994) gave a special attention and action priority to the change of organization and management of the country. The concept of the policy is the evolution of a decentralized, efficient and professionals, coordinated participatory system with respect to administration and management of the organization system.

Numerous studies have demonstrated that participation in decision making (PDM) increases employee job satisfaction (Witt et al., 2000; Scott-Ladd et al., 2006). This link is based on the presumption that employees who can influence decisions affecting them are more likely to appreciate the outcomes, which in turn reinforces satisfaction. The greatest satisfaction comes with high-level involvement, which takes place when employees are involved in “generating alternatives, planning processes and evaluating results” (Scott-Ladd et. al.2006).

The study conducted by Daniels and Bailey (1999) proved that there is a direct linear relationship between PDM and job satisfaction. Researchers also found that participation in determining long-term organizational objectives is not the most important aspect of this relationship. Instead, participation in day-to-day decisions “may better meet an intrinsic biological need to influence the environment” (Daniels and Bailey, 1999). Witt and Myers (1992) also conclude that by including employees in decision-making processes and describing how decisions are made, managers can promote employee perceptions of fairness in the organization and thus facilitate favorable organizational outcomes. They also note that although the importance of PDM has been empirically identified, some managers still avoid PDM practices (Witt and Myers, 1992).

In the current organizations milieu, one popular strategy aimed at improving job satisfaction has been allowing employees to participate in job-related decisions (Harley *et al.*, 2000). Theoretical literature indicates that one would expect participative decision making in their workplace (PDM) to increase job satisfaction, via satisfying employees’ higher-order needs (Maslow, 1943) and self expression (Miller and Monge, 1986). Empirical studies, although dated, generally support this positive association (Alutto and Acito, 1974; Black and Gregersen, 1997; Morse and Reimer, 1956; Wright and Kim, 2004). Considering the above mentioned facts, the present study is design

to assess the relationship between workers participation in decision making and job satisfaction, to provide an overview of the extent to which workers of Gondar city revenues administration participate in decision making and to identify the extent to which workers participation in decision making affects the level of job satisfaction of Gondar city revenues administration employees. In turn, it gives a chance for this organization to increase employees' job satisfactions, by identifying key components of employee participation in decision making.

### **1.2 Statement of the problem**

Employee participation in decision making has an important influence for employee job satisfaction and organizational effectiveness. If they have participation in this fact, the employees will feel that they are valued in the organization. They also provide necessary suggestions and guidelines to the organization for attaining its goal. As a result, development and necessary changes occur fruitfully in (1) setting goals, (2) making decisions, (3) solving problems and (4) designing and implementing organizational changes (Gilbraith et.al. 1993). Gondar city revenues administration employees have been accusing management of being autocratic, not trust worthy and the atmosphere in many work-places was still adversarial and confrontational this may leads to employees' job dissatisfaction. Informal discussion with the human resources management team of Gondar city revenue administration Office indicated that the organization was aware that there are problems regarding the level of employee participation in decision making, but they are uncertain of how to resolve such problems. There are mechanisms that are used by employees to engage management but some decisions have been taken by management without reaching consensus with employees.

Gondar city Revenues authority employees confirm that there are multiple limitations which are attributed to lack of employee participation in decision making, as a results employees have been asking for all inclusive decision making structure. According to employees it is imperative that management highlight the importance of employee participation at all levels within the organization, this is deemed to be one of the organizational failures when comes to employee participation in decision making.

This research have been conducted because of there was no sufficient equivalent research done to investigate existing problems in Gondar city revenues administration and to show relationship between of employee participation in decision making and job satisfaction at Gondar city revenue administration. The ultimate goal is to create an environment which can produce an organizational

culture that is participatory, avoids employee dissatisfaction, promotes cooperation, commitment to organizational goals, and rewards for all employees and management.

Therefore, the main leading questions for this study are:

- To what extent is the level of employee participation in decision making?
- To what extent is the level of employees` job satisfaction?
- To what extent does the level of intrinsic job satisfiers affect employees` job satisfaction?
- To what extent does the level of extrinsic job satisfiers affect employees` job satisfaction?
- What is level of correlation between employee participation in decision making and employees` job satisfaction?

### **1.3 Objectives**

#### **1.3.1 General objective**

The Main objective the study was to assess the relationship between of employee participation in decision making and job satisfaction at Gondar city revenues administration.

#### **1.3.2 The specific objectives**

- \* To assess the extent to which Gondar city revenue administration employees are allowed to participate in decision making.
- \* To assess job satisfaction levels of employees of Gondar city revenue administration.
- \* To assess the relationship between each ways of participation in decision making and participation in decision making.
- \* To assess the relationship of intrinsic job satisfiers on the level of employees job satisfaction in the case of Gondar city revenue administration.
- \* To assess the relationship of extrinsic job satisfiers on the level of employees` job satisfaction in the case of Gondar city revenue administration.
- \* To assess the relationship between participation in decision making and job satisfaction of employees of Gondar city revenue administration.

## 1.4 Hypothesis

- \* **Hypothesis 1:** The level of employees' participation in decision making at Gonder city revenue administration is low.
- \* **Hypothesis 2:** The level of employees' job satisfaction at Gonder city revenue administration is low.
- \* **Hypothesis 3:** There is a positive, strong and significant relationship between each ways of participation in decision making and participation in decision making.
- \* **Hypothesis 4:** There is a positive, strong and significant relationship between employees' perception towards extrinsic job factors and job satisfaction.
- \* **Hypothesis 5:** There is a positive, strong and significant relationship between employees' perception towards intrinsic job factors and job satisfaction.
- \* **Hypothesis 6:** There is a positive, strong and significant relationship between overall participation in decision making and overall job satisfaction.
- \* **Hypothesis 7:** There is a positive and significant relationship between overall participation in decision making and the intrinsic and extrinsic job satisfaction factors.

## 1.5 Significance of the Study

This study will be of value to the following groups of people:

**Scholars:** They will gain knowledge on the relationship between participation in decision making and job satisfaction. They will acquire an insight into what factors affect participation in decision making in revenue authority environments. They will also be able to use the findings of this study to prove various theories and to use the study as a basis for further research on other variables not included in this study.

**Human Resource Specialists:** They will be able to understand how the variables used in the study interact with each other and to use the information from the study to design better jobs so as to ensure job satisfaction.

**Revenue administration:** the study can be useful to the revenue administration managers to understand the impact of participation in decision making on job satisfaction and hence improve job satisfaction of employee.

### **1.6 Scope of Study**

The study was carried out at Gondar city revenues administration. It mainly focused on determine the relationship between of employee participation in decision making and job satisfaction at Gondar city revenues administration. This study comprised of two major variables, namely; participation in decision making, which was the independent variable. Job satisfaction which was the dependent variable, explained through extrinsic job satisfaction factors and intrinsic job satisfaction factors. The study carried out between the time frame from March 01, 2015-August, 2015.

### **1.7 Limitation of the Study**

As with most research, this study has been its own limitations. This research is a single case study much more investigation will be needed as the findings of this study have limitation on generalizability and may need to be confirmed by further research in other governmental and non-governmental organization.

Due to limitations of time, the study was only carried out at Gondar city revenues authority. Limitations has been faced in the course of the research is accessibility to information, difficulty in accessing the target sample during working hours due to the busy nature of their operations.

### **1.8 Organization of the study**

The study was organized into five chapters. **Chapter one** is introductory part which consists of background of the study, statement of the problem, objectives of the study, hypothesis, significance of the study, scope of the study, limitation of the study and operational definition of terms. **Chapter Two** is deal on related literature review; in this chapter conceptual framework of topic are reviewed first, and then the related theoretical and empirical literature are reviewed. The **third chapter** deals on research design, which consist the research design and methodology, source of data, sampling design, and variables of the study, measurement of variables, validity and reliability of instrument and methods of data analysis employed are included under this section. **The fourth** part deals with the data analysis and discussion and **chapter five** deals with summery, conclusion and recommendations.



### **1.9 Operational definition**

- 1). **Decision Making;** decision making can be defined as choosing between alternatives.
- 2). **Employee Participation in Decision Making;** Employee Participation is generally defined as a process in which influence is shared among individuals who are otherwise hierarchically unequal.
- 3). **Job satisfaction;** related to attitudes and feelings people have about their work through extrinsic job satisfaction factors and intrinsic job satisfaction factors.
- 4). **Gonder city revenue administration;** one of the revenue collection sectors in Ethiopia located in Amhara region north Gonder zone.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **INTRODUCTION**

This chapter comprises the definition and theories of employee participation in decision making and job satisfaction. And, it also consists of previous empirical findings in which similarities and differences of the studies have been elaborated in detail. Finally, the researcher developed conceptual frame work of independent and dependent variables.

#### **2.1 Decision Making**

Decision making can be defined as choosing between alternatives (Moorhead and Griffin, 2004). It can be regarded as an outcome of mental processes (cognitive processes: memory, thinking, evaluation) leading to the selection of a course of action among several alternatives. Decision making involves mapping the likely consequences of decisions, working out the importance of individual factors, and choosing the best course of action to take. In the decision making process, the decision maker's actions are guided by a goal. Each of the several alternative courses of action is linked to various outcomes. Information is available on the alternatives, on the value of each outcome relative to the goal. The decision maker chooses an alternative on the basis of his/her evaluation of the information (Moorhead and Griffin, 2004).

##### **2.1.1 The Nature of Decision Making**

The frequency and recurrence of a decision determines whether the decision is programmed or non-programmed. A programmed decision recurs often enough for decision rules to be developed. A decision rule tells decision makers which alternative to choose once they have predetermined information about the decision situation. The appropriate decision rule is used whenever the same decision is encountered. Programmed decisions are usually highly structured, that is; the goals are clear and well known, the decision making procedure is already established and the sources and channels of information are clearly defined (Moorhead and Griffin, 2004). When a problem or a situation has not been encountered before or is unique, the decision made, is known as a non-programmed decision and it requires problem solving (Moorhead and Griffin, 2004). Problem solving is a special form of decision making in which the issue is unique – it requires developing and evaluating alternatives without the aid of decision rules. Non-programmed decisions are

poorly structured because information is unambiguous and there is no clear procedure for decision making and the goals are often vague (Moorhead and Griffin, 2004).

### **2.1.2 Levels of Decision Making**

There are four levels of decisions making in an organization. According to Bennet (1997), these levels are: strategic decisions, tactical decisions, operational decisions and policies. Strategic decisions are broad decisions about a firm's direction and its relations with the outside world. These decisions establish organizational objectives and impose frameworks for controlling the organizations activities. They include decisions on issues such as what to produce and how the organization will finance its operations. These decisions are usually made by senior level umanagement (Bennet, 1997).

Tactical decisions are concerned with implementation of strategic decisions. They include decisions on issues such as the acquisition and deployment of resources, allocation of duties and specification of secondary objectives, monitoring performance and reporting to higher levels of authority (Bennet, 1997).Operational decisions on the other hand are concerned with minor administrative matters such as lengths of production runs, shift rosters, stock levels and so on (Bennet, 1997). They focus on the day-to-day activities of the organization.

The fourth level of decision making is policies. Bennet (1997) defines policies as a set ground rules and criteria to be applied when taking decisions related to a particular function or activity. Policies therefore exist to restrict the scope and nature of decisions concerning a specific issue, for example, internal promotion. Policies facilitate the co-ordination of diverse operations and ensure that all decisions made are compatible with the overall aims of the organization.

### **2.1.3 Approaches Used in Decision Making**

There are two major approaches to decision making in an organization, the authoritarian method in which an executive figure makes a decision for the group and the group method in which the group decides what to do.

The first is Authoritarian, where the manager makes the decision based on the knowledge he can gather. He then must explain the decision to the group and gain their acceptance of it.

The second is the Group, where the group shares ideas and analyses, and agrees upon a decision to implement. Studies show that the group often has values, feelings, and reactions quite different

from those the manager supposes they have. No one knows the group and its tastes and preferences as well as the group itself, Florence (2011).

## **2.2 Employee Participation in Decision Making**

Employee Participation is generally defined as a process in which influence is shared among individuals who are otherwise hierarchically unequal (Locke and Schweiger, 1979; Wagner, 1994). Participatory management practice balances the involvement of managers and their subordinates in information processing, decision making and problem solving endeavors (Wager, 1994). Beardwell and Claydon (2007), define worker's participation as the distribution and exercise of power, in all its manifestations, between the owners and managers of organizations and those employed by them. It refers to the direct involvement of individuals in decisions relating to their immediate work organizations and to the indirect involvement in the decision making, through representatives in the wider socio-technological and political structures of the firm.

According to Luthans (2005) the decision making can be formal or informal and entails intellectual and emotional as well as physical involvement. This process, according to Graham and Bennet (1997), implies that employees have access to sufficient information on which to base their decisions, that they will be consulted before the decision is made and that negotiations will be made between management and the employees about implementation of the decision.

Participation involves individuals or groups in the process. Individual participation techniques are those in which an employee somehow affects the decision making of a manager. Group participation techniques use consultative techniques and democratic techniques. Consultative techniques imply that a manager asks for and receives involvement from employees but maintains the right to handle the decision while in the democratic form, there's a full participation and the group not the individual heads and makes the final decision by consensus or majority (Luthans, 2005).

The actual amount of participation in decision making ranges from one extreme where the manager makes the decision and asks for no help or ideas from anyone, to the other extreme of full participation, where everyone connected with, or affected by the decision is completely involved. In practice, the degree of participation will be determined by factors such as experience of the person/group and the nature of the task. The more the experience and unstructured the task, the more the participation there will tend to be (Luthans, 2005).

### **2.2.1 Ways of Employee Participation**

A range of options through which an employee can participate in decision making can be viewed on a continuum ranging from participation in ownership of the organization by means of shareholding through involvement in day-to-day operations to the appointment of employee directors on company boards (Cole, 1997).

Share options/ profit sharing offers employees a chance to own shares in the company and thus participate in financing as well as receiving all the information normally made available to shareholders. This option gives employees the chance to take a stake in their employer's business, but is scarcely relevant if one considers 'participation' in decision making (Graham and Bennet, 1998 and Cole, 1997).

Consultation is seen as 'participation' only in the sense that employees are consulted about decisions affecting their working lives. This doesn't imply that employers take any notice of the employees' views. Consultation can be implemented through workforce consultative groups such as quality circles. The aim is to improve employee dialogue, but in most cases, they improve working methods, quality standards and productivity. Where operational matters are concerned, consultations lead to participation in decision making (Graham and Bennet, 1998 and Cole, 1997).

Consultation on the other hand refers to the available opportunities for participation to employees by Management. Through consultation, management seeks the advice of employees, takes cognizance of their feelings and interests before a decision is made. According to Mosoge (1996:13) Consultation refers to the mode in which managers secure employee participation. Thus, consultation allows exchange of ideas and different points of view to take place between management and employees, and among employees themselves. Consultation is directly related to participation. Through it, people in the organization are able to reach technically correct decisions. The wider the consultations are within the organization the more employee participation is envisaged. In organizations where snap decisions are made employees are rarely consulted. Such organizations tend to be autocratically managed. On the other hand, where there is Consultation there is also full employee participation. Management shares problems and seeks solutions from all the people. In the process alternative views and solutions are generated and evaluated and consensus reached. This enables such organizations to reach quality decisions. However the extent to which consultation leads to quality decisions depends on how much relevant information is shared among the involved parties.

The job enrichment option allows for a greater discretion over the immediate work decisions. It also leads to motivation by increasing responsibility for the employees' work outputs and increasing job interest. However, it does not offer real opportunities to participate in even the operational decisions taken in the organization (Graham and Bennet, 1998 and Cole, 1997).

Empowerment through delegation is a participative management style that encourages real delegation of authority. It implies that all employees will be encouraged to play a part in the decisions affecting their work. In practice, this may be more than a paternalistic method of involving employees in day-to-day affairs. However, where a bona fide approach to participation is adopted, then it is likely that employees will in fact become 'empowered' by being able to fully share in decisions affecting their immediate work (Graham and Bennet, 1998 and Cole, 1997).

According to Graham and Bennet, (1998) and Cole, (1997), bargaining is by nature adversarial and its outcomes are therefore dependant on the relative power of the parties and extent to which a compromise is reached. Compared to consultation, collective bargaining is essentially an active form of employee participation. Here unionized members are represented by their unions in the decision making process between the owners or employers and the representatives who are employees.

Work councils are joint bodies of managers and employees established to consider and agree on key matters affecting the organization. These are open to all grades and groupings of employees regardless of union membership status. These councils are concerned with strategic, operations and consultative aspects of participation (Graham and Bennet, 1998 and Cole, 1997). The last option of participation is through board representation. According to Cole (1997), board representation is the appointment of rank and file employees to non-executive directorships on the company's board.

Management theorists have repeatedly found evidence to support the advantages of management styles such as participative management; Theory Y versus Theory X; Theory Z; Total Quality Management (TQM); Management by Walking Around; Management by Objectives; and employee empowerment (Helms, 2006). For this study, MacGregor's Theory X and Y will be used to explain participation in decision making since it is the theory that best explains the behavior of different categories of employees and management regarding participation in decision making.

Douglas McGregor's Theory X assumes that people are lazy, they don't want to work, and it is the job of the manager to force or coerce them to work. McGregor's Theory X makes three basic assumptions:

- 1) The average human being dislikes work and will do anything to get out of it;
- 2) most people must be coerced, controlled, directed, and threatened or punished to get them to work toward organizational objectives; and
- 3) The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and places job security above ambition.

According to this theory, responsibility for demonstrating initiative and motivation lies with the employee and failure to perform is his or her fault. Employees are motivated by extrinsic rewards such as money, promotions, and tenure (Helms, 2006). The implication of theory X is that if organizational goals are to be met, managers must structure the work and energize the employee. This therefore would lead the manager to apply the authoritarian style of management, in which the decision making rests with the manager (Papa et al., 2008). Theory Y suggests that employees would behave differently if treated differently by managers. Theory Y assumes that higher-order needs dominate individuals. The set of assumptions for Theory Y is

- 1) The average human does not dislike work and it is as natural as play;
- 2) People will exercise self-direction and self-control in order to achieve objectives;
- 3) Rewards of satisfaction and self-actualization are obtained from effort put forth to achieve organizational objectives;
- 4) The average human being not only accepts but also seeks responsibility;
- 5) Human beings are creative and imaginative in solving organizational problems; and
- 6) The intellectual potential of the average human is only partially realized.

If productivity is low and employees are not motivated, then it is considered failure on the manager's part (Helms, 2006). McGregor (1960) argues for managers to be open to a more positive view of workers and the possibilities that this creates. He adds that Theory Y managers are more likely than Theory X managers to develop the climate of trust with employees, which is important for human resource development. This would include managers communicating openly with subordinates, minimizing the difference between superior-subordinate relations, creating a comfortable environment in which subordinates can develop and use their abilities. This climate

would include sharing in decision making so that subordinates have a say in decisions that influence them.

### **2.2.2 Benefits of Participation in Decision Making**

Participation in decision making offers various benefits at all levels of the organization. Rice (1987) explains that putting decision making power as close as possible to the point of delivery makes that implementation of those decisions not only possible, but also successful. Participation in decision making leads to harmony in the organization (Ward and Pascarelli, 1994) and improves staff morale and support (Parshiadis, 1987). By creating a sense of ownership in the company, participation in decision making instills a sense of pride and motivates employees to increase productivity in order to achieve their goals. Employees who participate in the decisions of the company feel like they are a part of a team with a common goal, and find their sense of self-esteem and creative fulfillment heightened (Helms, 2006).

Managers who use a participative style find that employees are more receptive to change than in situations in which they have no voice. Changes are implemented more effectively when employees have input and make contributions to decisions. Participation keeps employees informed of upcoming events so they will be aware of potential changes. The organization can then place itself in a proactive mode instead of a reactive one, as managers are able to quickly identify areas of concern and turn to employees for solutions (Helms, 2006).

Participation helps employees gain a wider view of the organization. Through training, development opportunities, and information sharing, employees can acquire the conceptual skills needed to become effective managers or top executives. It also increases the commitment of employees to the organization and the decisions they make (Helms, 2006). Creativity and innovation are two important benefits of participative management. By allowing a diverse group of employees to have input into decisions, the organization benefits from the synergy that comes from a wider choice of options. When all employees, instead of just managers or executives, are given the opportunity to participate, the chances is increased that a valid and unique idea will be suggested (Helms, 2006).

### **2.2.3 Challenges of Participation in Decision Making**

Cole (1997) notes that most managers are not enthusiastic about sharing strategic decisions with employee representatives, partly because they do not want to alert their competitors of important



strategic moves (for example, a major investment or significant takeover) and partly because they often have to face up to some unpleasant decisions about redundancies and redeployments among existing staff.

McGregor (1960) stated that the usual fear is that if employees are given an opportunity to influence decisions affecting them, they will soon want to participate in matters which should be none of their concern. However, he was quick to counter this argument, he added that management who express this fear most acutely tend to have a very narrow conception with the growth of employees and their increasing ability to undertake responsibility, there will of course be an expectation that employees will become involved in an increasing range of decision making activities.

Participative management is not a magic cure for all that ails an organization has. Managers should carefully weigh the pros and cons before implementing this style of management. Pashiardis (1994) in the article, 'Employee Participation in Decision Making', notes that for participation in decision making to be successfully implemented, policy has to be changed to support this approach. He further adds that time, resources, participatory involvement and support will determine the effectiveness of participation in decision making and recommends training to enable members participate effectively.

### **2.3 Job Satisfaction**

Job satisfaction is a pre-requisite for employee performance in any organization. It is important for both the employee and the employer. For the employee, job satisfaction gives them a sense of security and fulfillment. In return, it leads to employee commitment, decreased absenteeism and reduced employee turnover. For the employer, employee job satisfaction ensures committed staff and stable workforce which reduce cost of recruitment and training. According to Stogdill (1965), successful organizations consider worker morale and job satisfaction an output just as important as productivity.

Locke (1996) defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. Schneider and Snyder (1975) on the other hand defined job satisfaction as a personal evaluation of conditions present in the job, or outcomes that arise as a result of having a job. Job satisfaction thus, has to do with an individual's perception and evaluation of his job, and this perception is influenced by the person's unique circumstances like

needs, values and expectations. People will therefore evaluate their jobs on the basis of factors, which they regard as being important to them.

Spector (1997) asserts that job satisfaction is the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs. Job satisfaction is a positive orientation of an individual towards the work role, which he is presently occupying. He further states that variables related to job satisfaction include achievement, advancement, job enhancement, job enrichment and teamwork. One of the most challenging tasks in management today is keeping the most qualified employees satisfied and being able to retain them on the job. Armstrong (2006) defines job satisfaction as the attitudes and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes indicate job dissatisfaction. Morale is often defined as being equivalent to satisfaction.

Guion (1958) defines morale as the extent to which an individual's needs are satisfied and the extent to which the individual perceives satisfaction stemming from his total work situation. Lawler (1971) defines job satisfaction as the favorableness or favorable with which employees view their work. Satisfaction is an aspect of motivation.

Okoth (2003) asserts that job satisfaction is a positive state, resulting from the appraisal of one's job experiences. Job satisfaction is a collection of feelings and beliefs that managers have about their jobs. She further argues that managers, who are high in job satisfaction generally like their jobs, feel that they are being fairly treated and believe that their jobs have many desirable features such as interesting work, good pay and job security.

According to Gumato (2003), job satisfaction is the extent to which employees favorably perceive their work. High job satisfaction indicates a strong correlation between an employee's expectations of the rewards accruing from a job and what the job actually provides. Workers who are satisfied in their jobs will be co-operative and well motivated while those who are dissatisfied will be more inclined than others to produce low quality output, go on strike, and be absent from work, invoke grievance procedures or even leave the organization. A worker's sense of achievement and success is generally perceived to be directly linked to productivity as well as to personal wellbeing.

Job satisfaction implies doing a job one enjoys, doing it well, and being suitably rewarded for one's efforts. Job satisfaction further implies enthusiasm and happiness with one's work. The Harvard Professional Group (1998) sees job satisfaction as the key radiant that leads to

recognition, income, promotion, and the achievement of other goals that lead to a general feeling of fulfillment. Oshagbemi (2003) identifies job satisfaction as an important attribute which organizations desire of their employees. Love and Edwards (2005) define job satisfaction as a function of the match between the rewards offered by the work environment and the individual's preferences for those rewards.

As stated earlier, job satisfaction is a pre-requisite for employee performance in any organization. It is important for both the employee and the employer. For the employee, job satisfaction gives them a sense of security and fulfillment. In return, it leads to employee commitment, decreased absenteeism and reduced employee turnover. For the employer, employee job satisfaction ensures committed staff and stable workforce which reduce cost of recruitment and training.

One of the biggest preludes to the study of job satisfaction was the Hawthorne studies. These studies (1924-1933), primarily credited to Elton Mayo of the Harvard.

Business School, sought to find the effects of various conditions (most notably illumination) on workers' productivity. These studies ultimately showed that novel changes in work conditions temporarily increase productivity (called the Hawthorne Effect). It was later found that this increase resulted, not from the new conditions, but from the knowledge of being observed. This finding provided strong evidence that people work for purposes other than pay, which paved the way for researchers to investigate other factors in job satisfaction.

Scientific management (also known as Taylorism) also had a significant impact on the study of job satisfaction. Frederick Winslow Taylor's 1911 book, *Principles of Scientific Management*, argued that there was a single best way to perform any given work task. This book contributed to a change in industrial production philosophies, causing a shift from skilled labor and piecework towards the more modern approach of assembly lines and hourly wages. The initial use of scientific management by industries greatly increased productivity because workers were forced to work at a faster pace. However, workers became exhausted and dissatisfied, thus leaving researchers with new questions to answer regarding job satisfaction.

Maslow's Hierarchy of need theory of motivation also laid the foundation for job satisfaction theory. This theory explains that people seek to satisfy five specific needs in life – physiological needs, safety needs, social needs, self-esteem needs, and self-actualization. This model served as a good basis from which early researchers could develop job satisfaction theories. Various scholars concur that job satisfaction is affected by various factors, namely: relatively higher pay, an

equitable payment system, real opportunities for promotion, considerate and participative management, a reasonable degree of social interaction at work, interesting and valid tasks and a high degree of autonomy: control over work pace and work methods. The degree of satisfaction however, largely depends upon the employee's own needs and expectations and the work environment. That is a person may feel different levels of satisfaction towards each factor (Armstrong, 2006, Luthans, 2005, Moorhead and Griffin, 1989). Job satisfaction is therefore a result of employees' perceptions of how well their job provides those things viewed as important. According to Armstrong (2006), job dissatisfaction results in absenteeism and turnover.

A commonly used theory of job satisfaction is the Discrepancy Theory (Wilcock and Wright, 1991) or as it is also called, the value-percept disparity model (Locke 1969). This model hypothesizes that satisfaction depends on the extent to which outcomes, which an individual thinks he/she derives from work, correspond to the outcomes pursued in work.

The model has three essential elements namely; the perception of some aspect of the job, an implicit or explicit value standard, and a conscious or subconscious judgment of the gap (discrepancy) between one's perceptions and one's values. Perception is the awareness that a matter existed as well as a cognitive judgment of the matter against a cognitive standard. A value judgment was defined as "an estimate of the relationship of some existent (matter) or judged relationship to one's value standards (normative standards)" (Locke, 1969:316). Branden (cited in Locke, 1969:315) defined a value as "that which one regards as conducive to one's welfare". In the evaluation process, an individual estimates, either on a conscious or subconscious level, the relationship between some object, action or condition and one or more of one's values (Locke, 1969). Rhodes and Hammer (2000) noted that among the most important values or conditions conducive to job satisfaction are: mentally challenging work with which the individual can cope successfully; personal interest in the work itself; work which is not too physically tiring; rewards for performance which are just, informative and in line with the individual's personal aspirations; working conditions which are compatible with the individual's physical needs and facilitate the accomplishment of his work goals; high self esteem on the part of the employee; agents in the workplace who help the employee to attain values such as interesting work, pay and promotions, whose basic values are similar to his own, and who minimize role conflict and ambiguity.

Job satisfaction mainly looks at the extent to which employees have positive or negative attitude towards their work. An attitude is an individual employee's feeling (satisfaction, indifference or dissatisfaction) towards a specific situation, object or person. Job satisfaction is the net result of the good or poor attitude held by an individual employee at a given period of time. It is a subject to swings from one extreme to the other but usually reverts to a fairly stable level that can be good or poor (Mwaura, 1993). According to Luthans, (2005) job satisfaction is a result of employees' perception of how well their job provides those things which are viewed as important.

Job satisfaction is a potential determinant of absenteeism, turnover, in-role job performance and extra-role behaviors (Locke, 1976). According to Cranny, et al (1992), job satisfaction is an effective reaction to a job that results from the employee's comparison of actual outcomes with those that are desired. Locke (1976) equates job satisfaction to morale of workers. Job satisfaction increased as opportunities to provide feedback increased. When supervisors' basic values are similar to those of their subordinates, job satisfaction can increase (Locke, 1976). Personality similarities between supervisors and subordinates have also been linked to job satisfaction (Rhodes and Hammer, 2000). Bavendum (2000) argues that increasing job satisfaction is important for its humanitarian value and for its financial benefit due to its effect on employee behavior. He notes that employees with higher job satisfaction believe that the organization will be satisfying in the Long run, care about the quality of their work, are more committed to the organization, have higher retention rates and are more productive.

### **2.3.1 Dimensions of job satisfaction**

A review of the literature shows that numerous variables have been investigated in their relationship to job satisfaction. These variables include intrinsic features of the job (e.g. recognition, advancement, and responsibility), and extrinsic variables (e.g. salary, supervision, and working conditions).

#### **I). Extrinsic satisfactions**

Extrinsic factors are external job related variables that would include salary, supervision, and working conditions. These extrinsic factors have a significant influence on job satisfaction levels according to Martin and Schinke (1998).

#### **Pay**

Pay refers to the amount of financial compensation that an individual receives as well as the extent to which such compensation is perceived to be equitable. Remuneration and earnings are a

cognitively complex and multidimensional factor in job satisfaction. According to Luthans (1998), salaries not only assist people to attain their basic needs, but are also instrumental in satisfying the higher level needs of people.

Previous research (Voydanoff, 1980) has shown that monetary compensation is one of the most significant variables in explaining job satisfaction. In their study of public sector managers, Taylor and West (1992) found that pay levels affect job satisfaction, reporting that those public employees that compared their salaries with those of private sector employees experienced lower levels of job satisfaction.

According to Boone and Kuntz (1992), offering employees fair and reasonable compensation, which relates to the input the employee offers the organization, should be the main objective of any compensation system. Included in the category of compensation are such items as medical aid schemes, pension schemes, bonuses, paid leave and travel allowances.

Lambert, Hogan, Barton and Lubbock (2001) found financial rewards to have a significant impact on job satisfaction. Such findings are largely consistent with the idea that most employees are socialized in a society where money, benefits, and security are generally sought after and are often used to gauge the importance or the worth of a person. Thus, the greater the financial reward, the less worry employees have concerning their financial state, thereby enhancing their impression of their self-worth to the organization.

Groot and Maassen van den Brink (1999; 2000) provide contradictory evidence for the relationship between pay and job satisfaction. In their earlier research they did not find evidence for a relationship between compensation and job satisfaction, however, their subsequent research revealed the opposite. However, Hamermesh (2001) found that changes in compensation (increases or decreases) have concomitant impact on job satisfaction levels of employees.

Several other authors maintain that the key in linking pay to satisfaction is not the absolute amount that is paid, but rather, the perception of fairness (Aamodt, 1999; Landy, 1989; Robbins, 1998). According to Robbins et al. (2003), employees seek pay systems that are perceived as just, unambiguous, and in line with their expectations. When pay is perceived as equitable, is commensurate with job demands, individual skill level, and community pay standards, satisfaction is likely to be the result.

Gunter and Furnham (1996) found employee perceptions concerning the equity with which the organization rewards its employees to be better predictors of job satisfaction than is the case with

gender, age, or actual salary. Similarly, Miceli, Jung, Near and Greenberger (1991 cited in Hendrix, Robbins, Miller & Summers, 1998), validated a causal pathway leading from fairness of the pay system to improved job satisfaction.

Sousa-Poza's (2000) research indicates that perceived income, that is, whether the respondent considered his income high or not, was found to have the third largest effect on the job satisfaction of male employees.

### **Supervision**

Research indicates that the quality of the supervisor-subordinate relationship will have a significant, positive influence on the employee's overall level of job satisfaction (Aamodt, 1999; Kinicki & Vecchio, 1994; Luthans, 1992; Moorhead & Griffen, 1992; Robbins, 1998).

Research appears to be equivocal since most research indicates that individuals are likely to have high levels of job satisfaction if supervisors provide them with support and co-operation in completing their tasks (Ting, 1997). Similar results were reported by Billingsley and Cross (1992) as well as Cramer (1993). These researchers generally hold that dissatisfaction with management supervision is a significant predictor of job dissatisfaction. The above findings are corroborated by Staudt's (1997) research based on social workers in which it was found that respondents who reported satisfaction with supervision, were also more likely to be satisfied with their jobs in general. Chieffo (1991) maintains that supervisors who allow their employees to participate in decisions that affect their own jobs will, in doing so, stimulate higher levels of employee satisfaction.

Researchers (Knoll, 1987; Pfeiffer & Dunlap, 1982; Rettig, 2000) have written extensively about the importance of supervision in organizations. Their research indicates that supervisory activities foster motivation, inspiration, and trust and thus help to improve employee performance. Research indicates that managers play a vital role in the care for the personal welfare and emotional support of employee. Isherwood (1973) found that managers that demonstrated excellent human relations skills heightened employee's loyalty and improved employee satisfaction, whilst the lack in participatory management, lack of sensitivity to organizations and employee -related problems and lack of support was reliably associated with employee stress and burnout (Jackson, Schwab, & Schuler, 1986). Morris (2004) postulates that employee job satisfaction is affected by the work environment and strong managerial leadership. Corroborating this, Nelson (1980) found that leadership styles of organizations managers are related to job satisfaction. He maintains that the

quality of organizations managers' relationship generates higher employee job satisfaction, and greater employee participation in decision making contributes to job satisfaction (Cooke & Mohrman, 1978). Conversely, lack of participation in decision making is advocated to be the greatest sources of employee dissatisfaction (Holdaway, 1978).

Abbey and Esposito (1985), report those employees who perceive greater social support from their managers' report less stress than those who do not receive any social support. Setting up shared decision-making processes in organizations, such as governance councils, allows employee to participate in organization processes rather than feel subordinate to their superiors and coerced into participating in organization and employee responsibilities (Nagel & Brown, 2003).

### **Promotion**

An employee's opportunities for promotion are also likely to exert an influence on job satisfaction (Landy, 1989; Larwood, 1984; Moorhead & Griffen, 1992; Vecchio, 1988). Robbins (1998) maintains that promotions provide opportunities for personal growth, increased responsibility, and increased social status (Robbins, 1998).

Drafke and Kossen (2002) postulate that many people experience satisfaction when they believe that their future prospects are good. This may translate into opportunities for advancement and growth in their current workplace, or enhance the chance of finding alternative employment. They maintain that if people feel they have limited opportunities for career advancement, their job satisfaction may decrease. According to McCormick and Ilgen (1985), employees' satisfaction with promotional opportunities will depend on a number of factors, including the probability that employees will be promoted, as well as the basis and the fairness of such promotions. Visser (1990) indicates that such an individual's standards for promotion are contingent on personal and career aspirations. Moreover, not all employees wish to be promoted. The reason therefore is related to the fact that promotion entails greater responsibility and tasks of a more complex nature, for which the individuals may consider themselves unprepared. If employees perceive the promotion policy as unfair, but do not desire to be promoted, they may still be satisfied. Nonetheless, opportunities for promotion appear to have a significant positive correlation with job satisfaction (Tolbert & Moen, 1998). In a study by Jayaratne and Chess (1984 cited in Staudt, 1997), the opportunity for promotion was found to be the best and only common predictor of job satisfaction in child welfare, community mental health, and family services agencies. Luthans (1992) further maintains that promotions may take a variety of different forms and are generally



accompanied by different rewards. Promotional opportunities therefore have differential effects on job satisfaction, and it is essential that this be taken into account in cases where promotion policies are designed to enhance employee satisfaction.

### **Work group**

There is empirical evidence that co-worker relations are an antecedent of job satisfaction (Morrison, 2004). Research (Mowday & Sutton, 1993), suggests that job satisfaction is related to employees' opportunities for interaction with others on the job. An individual's level of job satisfaction might be a function of personal characteristics and the characteristics of the group to which he or she belongs. The social context of work is also likely to have a significant impact on a worker's attitude and behavior (Marks, 1994). Relationships with both co-workers and supervisors are important. Some studies have shown that the better the relationship, the greater the level of job satisfaction (Wharton & Baron, 1991).

According to Hodson (1997), such social relations constitute an important part of the "social climate" within the workplace and provide a setting within which employees can experience meaning and identity. Luthans (1998) postulates that work groups characterized by co-operation and understanding amongst their members tend to influence the level of job satisfaction or dissatisfaction. When cohesion is evident within a work group it usually leads to effectiveness within a group and the job becoming more enjoyable. However, if the opposite situation exists and colleagues are difficult to work with, this may have a negative impact on job satisfaction. Markiewicz et al. (200) found that the quality of close friendships was associated with both career success and job satisfaction of employees. Riordan and Griffeth (1995) examined the impact of friendship on workplace outcomes; their results indicate that friendship opportunities were associated with increases in job satisfaction, job involvement and organizational commitment, and with a significant decrease in intention to turnover.

Luthans (1992), however, contends that satisfactory co-worker relations are not essential to job satisfaction, but that in the presence of extremely strained relationships, job satisfaction is more than likely to suffer. Nevertheless, the growing body of literature on the subject seems to indicate that co-worker relations are taking on an ever-increasing role, not just in the realms of productivity, but also in determining the experience of work and its meaning (Hodson, 1997). Hillebrand (1989) found that the greatest need of educators centered on interpersonal needs. He maintains that healthy relationships with colleagues and school principals increase educational

concerns and goal attainment. These findings strengthen the argument that organizations should engage in the integration of employees so as to create group cohesion among employees and departments within the organization (Lambert et al., 2001).

### **Working condition**

Working conditions is another factor that has a moderate impact on the employee's job satisfaction (Luthans, 1992; Moorhead & Griffen, 1992). According to Luthans (1998), if people work in a clean, friendly environment they will find it easier to come to work. If the opposite should happen, they will find it difficult to accomplish tasks Vorster (1992) maintains that working conditions are only likely to have a significant impact on job satisfaction when, for example, the working conditions are either extremely good or extremely poor. Moreover, employee complaints regarding working conditions are frequently related to manifestations of underlying problems (Luthans, 1992; Visser, 1990; Vorster, 1992).

### **II). Intrinsic Factors**

Work is unquestionably an intrinsic part of peoples' lives. "It is often our source of identity and at times our reason for being", (Bruce and Blackburn, 1992, p. 4). Aside from decent pay, economic security, and other extrinsic and tangible rewards of employment, the intrinsic aspects of work are also relevant to the study of job satisfaction. Intrinsic factors are employees' affective reactions to the job, such as their satisfaction with the freedom they have to choose their own methods of working, the recognition that they receive for good work, and the opportunity they have to use their ability. Intrinsic factors may also include perceived respect and responsibility, task variety, and meaningful work. These personally rewarding intrinsic factors have demonstrated a significant impact on job satisfaction in many studies (Hertzberg et. al., 1957; O'Driscoll & Randall, 1999, Locke, 1976, Valentine, Valentine & Dick, 1988). Dodd-McCue and Wright (1996) found that job satisfaction is enhanced by the value placed on one's professional role and identification with that role, but negatively affected by choosing the job because rewards are extrinsic (external to the work itself, such as fellow workers, salary, or promotion opportunities). Martinez-Ponz (1990) found that intrinsic rewards were more effective in increasing job satisfaction and commitment among employees than were financial incentives. Similarly, Reyes, Madsen, and Taylor (1989) found that intrinsic rewards had more influence on educators than any organizational rewards.

Stewart (2000) suggested that helping to make workers feel independent had large positive effects on both performance and satisfaction outcomes. Kirkman and Rosen's (1999) work also spoke to the importance of worker autonomy and its positive relationship with job satisfaction and performance. Cappelli (2000) highlighted the importance of intrinsic rewards when participants rated interesting work, open communications, and opportunities for advancement as the top three things they desire in their jobs. Tatsapaugh (1994) suggested that the lack of advancement on the job is a frequent factor influencing resignation. When employee feels their work is meaningful and that they are responsible for their outcomes, Thomas & Tymon, (1997) state that workers show higher levels of effort and attention to doing tasks well.

### **2.3.2 Measure of Employee Satisfaction Dissatisfaction**

Herzberg, Mausner and Synderman (1967) claimed that one of the major reasons for measuring job satisfaction is to answer the question, "what does the worker want from his/her job?" and that the answer to this question will assist management in discovering new methods of motivating employees. Employees that have a high job satisfaction care more about the quality of their work and, therefore are more committed to their organization (Scott and Sun, 2003). Job satisfaction is a very important attribute which is frequently measured by organizations. Employee retention and turnover are the most objective measures of employee satisfaction/dissatisfaction in organizations. Luthans (2005) argues that since job satisfaction is an attitude, it cannot be directly observed and therefore must rely on the employees' self reports. According to him, some of the most common ways of measuring job satisfaction are rating scales, critical incidents, interviews and action tendencies. The most common way of measurement is the use of rating scales where employees report their reactions to their jobs.

Questions relate to rate of pay, work responsibilities, variety of tasks, promotional opportunities, the work itself and co-workers. Some questioners ask yes or no questions while others ask to rate satisfaction on 1-5 scale (where 1 represents "not at all satisfied" and 5 represents "extremely satisfied" One of the most popular rating scale is the Minnesota Satisfaction Questionnaire (MSQ) (Weiss, Dawis, England, and Lofquist, 1967).

MSQ was designed to measure employee satisfaction with their jobs. This instrument provides a detailed picture of the specific satisfactions and dissatisfactions of employees. The MSQ measures satisfaction with several aspects of work and the work environment. Several studies have

demonstrated good reliability and validity data for the MSQ (e.g., Albright, 1972; Anderson, Hohenshil, and Brown, 1984; Bolton, 1986; Brown, Hohenshil, and Brown, 1998; Decker and Borgen, 1993; Guion, 1978; Levinson, Fetchkan, and Hohenshil, 1988).

The Job Descriptive Index (JDI) is also popular. The facets of the JDI are derived from the definition of job satisfaction put forth by Smith, Kendall, and Hulin (1969). Smith et al. (1969) defined job satisfaction as “feelings or affective responses to facets of the situation” (p. 6). Because of this definition, the JDI viewed satisfaction as the accumulation of five facets: work on present job, present pay, and opportunities for promotion, supervision, and people on your present job (co-workers).

JDI has been widely used by organizational behavior researchers over the years and provides a broad picture of employee attitudes toward the major components of jobs. The JDI has been widely used in business and government (Hulin, 1968; O'Reilly and Roberts, 1973; Waters and Waters, 1969) as both a research tool and a diagnostic indicator.

A strong case has been built for construct validity, both in original source (Smith, Kendall and Hulin, 1969) as well as in numerous other publications that report correlation between JDI scales and other measures of job satisfaction (e.g., Dunham, Smith, and Blackburn, 1977).

The JDI is an instrument that is used to assess job satisfaction more than any other inventory (Kinicki, McKee-Ryan, Schriesheim, and Carson, 2002). Spector (1997) also states that it may also be the “most carefully developed and validated” job satisfaction measure (p. 12). It is designed to measure job satisfaction on the basis of five facets, including an overall job satisfaction facet, the Job in General (JIG) scale (Kinicki et al., 2002). The basis for the JDI is that job satisfaction is important for three different reasons: humanitarian concerns, economic concerns, and theoretical concerns.

Rating scales offer a number of important advantages in measuring job satisfaction. One is that they are usually short and can be filled out quickly and easily. Another is that they tend to be worded in general language so that they can be used with employees in many different types of organizations. A third is that because they have been so widely used in research, there is usually normative data available so that the responses can be compared with those of employees in other organizations who have taken the test in previous years. The Critical Incidents technique as a measure of job satisfaction was popularized by Fredrick Herzberg et al (1959). He and his colleagues used it in their research on the two factor theory of motivation. Employees were asked

to describe incidents on their job when they were particularly satisfied and dissatisfied. These incidents were then content analyzed in determining which aspects were most closely related to positive and negative attitudes. Other methods are interviews and action tendencies. Interviews allows for an in-depth exploration of job attitudes. If the respondents say something that the interviewer does not understand or would like to learn more about, the interviewer can follow up with additional questions. Action tendencies are the inclinations people have to approach or to avoid certain things. By gathering information about how they feel like acting with respect to their jobs, the job satisfaction can be measured.

### **2.3.3 Theories of Job Satisfaction**

There are numerous theories attempting to explain job satisfaction, but three conceptual frameworks seem to be more prominent in the literature. The first is content theory, which suggests that job satisfaction occurs when one's need for growth and self-actualization are met by the individual's job.

The second conceptual framework is often referred to as process theory, which attempts to explain job satisfaction by looking at how well the job meets one's expectations and values. The third conceptual group includes situational theories, which proposes that job satisfaction is a product of how well an individual's personal characteristics interact or mesh with the organizational characteristics. Each of the three theoretical frameworks has been explored and reviewed by countless scholars and researchers, and the purpose of this chapter is not to provide an exhaustive review of job satisfaction theories. Instead, a highlight of the main theories and theorists from each framework will be offered, to provide clarity, relevance and direction to this study of job satisfaction.

#### **I). Content Theories**

When discussing human needs, growth, and self-actualization, one cannot look far before finding Abraham Maslow and his "hierarchy of needs". Maslow's (1954) traditionalist views of job satisfaction were based on his five-tier model of human needs. At the lowest tier, basic life sustaining needs such as water, food, and shelter were identified. The next level consisted of physical and financial security, while the third tier included needs of social acceptance, belonging, and love. The fourth tier incorporated self-esteem needs and recognition by one's peers and at the top of the pyramid was reserved for self-actualization needs such as personal autonomy and self-direction. According to Maslow, the needs of an individual exist in a logical order and that

the basic lower level needs must be satisfied before those at higher levels. Then, once the basic needs are fulfilled, they no longer serve as motivators for the individual. The more a job allows for growth and acquisition of higher level needs, the more likely the individual is to report satisfaction with his or her job. Furthermore, the success of motivating people depends on recognizing the needs that are unsatisfied and helping the individual to meet those needs. Building on the theories of Maslow, Frederick Herzberg (1974) suggested that the work itself could serve as a principal source of job satisfaction. His approach led to the aforementioned two-continuum model of job satisfaction where job satisfaction was placed on one continuum and job dissatisfaction was placed on a second.

Herzberg's theory recognized that work characteristics generated by dissatisfaction were quite different from those created by satisfaction. He identified the factors that contribute to each dimension as "motivators" and "hygiene's". The motivators are intrinsic factors that influence satisfaction based on fulfillment of higher level needs such as achievement, recognition, and opportunity for growth. The hygiene factors are extrinsic variables that such as work conditions, pay, and interpersonal relationships that must be met to prevent dissatisfaction. When hygiene factors are poor, work will be dissatisfying. However, simply removing the poor hygiene's does not equate to satisfaction. Similarly, when people are satisfied with their job, motivators are present, but removing the motivators does not automatically lead to dissatisfaction. Essentially, job satisfaction depends on the extrinsic characteristics of the job, in relation to the job's ability to fulfill one's higher level needs of self-actualization hence the two continuum model of Herzberg Motivator-Hygiene theory.

## **II). Process Theories**

Process theories attempt to explain job satisfaction by looking at expectancies and values (Gruneberg, 1979). This theory of job satisfaction suggests that workers' select their behaviors in order to meet their needs. Within this framework, Adams' (1963) and Vroom (1982) have become the most prominent theorists. J. Stacy Adams' suggested that people perceive their job as a series of inputs and outcomes. Inputs are factors such as experience, ability, and effort, while outcomes include things like salary, recognition, and opportunity. The theory is based on the premise that job satisfaction is a direct result of individuals' perceptions of how fairly they are treated in comparison to others. This "equity theory" proposes that people seek social equity in the rewards they expect for performance. In other words, people feel satisfied at work when the input or

contribution to a job and the resulting outcome are commensurate to that of their co-workers. According to Milkovich and Newman (1990), this social equity is not limited to others within the same workplace, and the equity comparisons often reach into other organizations that are viewed as similar places of employment. Vroom's (1964) theory of job satisfaction was similar in that it looked at the interaction between personal and workplace variables; however, he also incorporated the element of workers' expectations into his theory. The essence of this theory is that if workers put forth more effort and perform better at work, then they will be compensated accordingly. Discrepancies that occur between expected compensation and actual outcome lead to dissatisfaction. If employees receive less than they expect or otherwise feel as if they have been treated unfairly, then dissatisfaction and the employee may experience feelings of guilt. The compensation does not have to be monetary, but pay is typically the most visible and most easily modified element of outcome. Salary also has significance beyond monetary value and the potential to acquire material items, and Gruneberg (1979) notes that it is also an indication of personal achievement, organizational status, and recognition.

Vroom's theory also goes one step further to incorporate an individual's personal decision making within the work-place. Vroom (1982) explained that employees would choose to do or not do job tasks based on their perceived ability to carry out the task and earn fair compensation. To illustrate and clarify his ideas, Vroom generated a three-variable equation for scientifically determining job satisfaction. Expectancy is the first variable, and this is the individual's perception of how well he or she can carry out the given task. Instrumentality is the second variable of the equation, and this refers to the individual's confidence that he or she will be compensated fairly for performing the task. Valence is the third variable, which considers the value of the expected reward to the employee. In Vroom's formula each variable is given a probability value, and when all three factors are high, workers will be more satisfied and have more motivation. If any of the factors are low, work performance and employee motivation will decline.

### **III). Situational Theories**

The situational occurrences theory emerged in 1992, when Quarstein, McAfee, and Glassman stated that job satisfaction is determined by two factors: situational characteristics and situational occurrences. Situational characteristics are things such as pay, supervision, working conditions, promotional opportunities, and company policies that typically are considered by the employee

before accepting the job. The situational occurrences are things that occur after taking a job that may be tangible or intangible, positive or negative. Positive occurrences might include dissatisfaction may occur. Conversely, overcompensation may also lead to extra vacation time, while negative occurrences might entail faulty equipment or strained co- worker relationships. Within this theoretical framework, job satisfaction is a product of both situational factors and situational occurrences.

#### **2.4 Job Satisfaction and Participation in Decision Making**

It is known from various authorities that there is a relationship between various variables in the work environment and job satisfaction. Many studies have been carried out to prove that both management style and job design have an effect on the level of perceived job satisfaction by the employee. Herzberg et al (1957) notes that aspects of a job such as responsibility, the degree of freedom to act, scope to use and develop skills and abilities, interesting and challenging work opportunities for advancement, rewards and punishment coupled with the quality of supervision will affect the employee's level of job satisfaction.

Studies show that employees who participate in decision making may feel more committed to execute them properly. Further, the successful process of making a decision, executing it and then seeing the positive consequences can help satisfy one's need for achievement, provide recognition and responsibility and enhance an employee's sense of self esteem. By participating in decision making, employees may better understand linkage between their performance and rewards they want most (Moorhead and Griffin, 1989).

Studies also show that participation in decision making has a positive influence on high performance and employee job satisfaction. However, Guion (1998) notes that the degree of satisfaction will depend on individual needs and expectations, and the working environment.

#### **2.5 Previous empirical studies**

Many researchers have assessed about the relationship between participate in decision making and employees` job satisfaction among others, Research by **Alutto and Acito (1974)** studied the effect of decisional discrepancy on job satisfaction. Respondents in their survey were categorized as decision ally deprived, saturated, or in equilibrium, and it was found that respondents with decisional equilibrium had higher job satisfaction.



**Bonnie (1993)** studied on job satisfaction of academic librarians as it relates to faculty status and participation of librarians in library planning and decision making, university academic affairs, and professional library activities. A questionnaire was distributed to librarians in 300 United States academic libraries at a random sample of universities and colleges in the United States with enrollments exceeding 2,000 students. In his study the best predictors of overall satisfaction were perception of participation, salary, and possession of academic rank.

**Black and Gregersen (1997)** studied on Participative decision-making (PDM): An integration of multiple dimensions and human Relations. They used 370 questionnaire responses and used correlation and regression analysis. The correlations between PDM and job satisfaction were positive and the regression indicated that generating alternatives, planning and evaluating results generally increased satisfaction.

**HO, (1997)** he studied on the extent of teachers Participative decision-making (PDM) and relationship with job satisfaction. A cluster sample of 180 teachers in 10 randomly selected public secondary schools in Malacca state was identified to respond to a questionnaire consisting of two sub-instruments one to measure PDM and another to determine job satisfaction. Only 166 teachers responded. His research finding shows that there was significant positive correlation between actual extent of PDM and job satisfaction, another result shows the actual extent of PDM was higher for teachers with experience as head of subject panel compared to those without such an experience. Non-graduated and more experienced teachers reported lower level of job satisfaction compared to their colleagues who lacked such qualification.

**Florence, (2011)** the researcher studied on the relationship between participation in decision making and job satisfaction among academic staff in public University of Nairobi. This study was conducted on the positivism approach to research. The study adopted a descriptive survey research design. The population of the study was all non-management members of academic staff at the school of Business, University of Nairobi. The findings indicate that the level of job satisfaction for workers at the school of business increases proportionately with an increase in their level of participation in decision-making.

The researchers' **Bamidele and Ella (2013)** examine the relationship between workers participation in decision making and job satisfaction among academic staff in Nasarawa State University, Keffi. The participants of the study were all non-management members of academic staff at the Faculty of Social Sciences, Nasarawa State University, Keffi. A structured

questionnaire was prepared and distributed to sixty (60) sample size of the participant. The findings indicated a positively strong correlation between participation in decision-making and the University performance and the level of job satisfaction for workers at the University increases proportionately with an increase in their level of participation in decision-making.

**Miodraga, Marjan and Vesna (2014)** they research investigates the use of participative management by the managers, existence of strategic participatory planning process and the communication between the manager and employees. A total of 532 public administration employees, from four cities in Republic of Macedonia were involved in the survey. The research results from the multiple regression analysis indicate that there is a positive association between positive levels of reported job satisfaction by employees and their reporting of participatory management style and participatory strategic planning processes. In addition the research results suggest that the effectiveness of supervisory communication has a significant effect on the level of reported job satisfaction by the employees. The significance of this research is in its contribution to the understanding of the role of participative management in creating a satisfied public administration workforce.

**Sophia, Kostas and Cosmas (2014)** studied on a survey of production Managers in Greek fish farms was used to evaluate their level of job satisfaction and factors affecting it. Production Managers in Greek Fish farms exhibited high level of job satisfaction with more than 44% of them exhibiting job satisfaction levels >70. The majority (77.7%) of the sample had age>30 and 44% of them had postgraduate qualifications. The length of service varied between 6 and 20 years with an average 13.72 years of service. The annual salary ranged between 22K and 38K with an average of 30,670 Euros. The perceived level of participation of the staff in the decision making process of the company was high with values ranging from 3 (a low degree of participation) to 7(high degree of participation).The results indicate that job satisfaction is mostly increased with increasing level of participation in the decision making, wages and age and less by the productivity of the fish farm.

## **2.6 Summary of empirical findings and gaps**

Bonnie (1993), Black and Gregersen (1997), Florence (2011) ,HO (1997) Bamidele and Ella (2013) they studied on educational institutions on the other hand Miodraga, Marjan and Vesna (2014) and Sophia, Kostas and Cosmas (2014) they studied on non educational institutions. Bonnie (1993), Florence (2011) and Sophia, Kostas and Cosmas (2014) they used similarly a

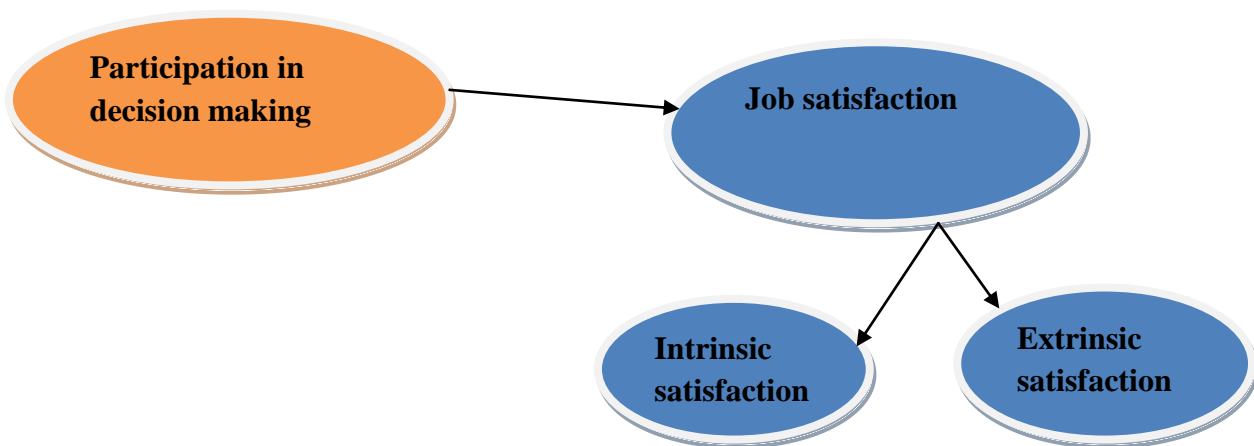
correlation data analysis method to see relationship between PDM and job satisfaction their finding was indicated similarly that there is a positive significant relationship between PDM and job satisfaction. Differ from the above researchers HO (1997), Bamidele and Ella (2013), Miodraga, Marjan and Vesna (2014) they used similarly a regression data analysis method to see relationship between PDM and job satisfaction their finding was indicated that there is a positive significant relationship between PDM and job satisfaction. With the exception of other researchers Florence (2011) and Miodraga, Marjan and Vesna (2014) used descriptive analysis to measure the level of PDM and job satisfaction. In general their finding is similar but they used different data analysis method.

Most of the empirical findings give an overview of relationship between participation in decision making and job satisfaction but, it fails to highlight the relationship between each ways of participation in decision making and participation in decision making how they are significantly correlated each other and which way of PDM is the best predictor of PDM , also fails to highlight the relationship between intrinsic and extrinsic satisfactions separately with job satisfaction how they are significantly correlated each other and which factor of job satisfaction is the best predictor of job satisfaction and had not seen the correlation between PDM and each intrinsic and extrinsic job satisfaction factors.

As per the researcher's knowledge, there seems no or few comprehensive study on the relationship between participation in decision making and job satisfaction in Ethiopia especially in revenue authority industries. Thus, these gaps lead the researcher to conduct a research and a need to study on the relationship between of employee participation in decision making and job satisfaction at Gondar city revenue authority.

## **2.7 The Conceptual Framework**

This research mainly focus on determine the relationship between of employee participation in decision making and job satisfaction at Gondar city revenues authority. This study comprised of two major variables, namely; participation in decision making, which was the independent variable. Job satisfaction which was the dependent variable, explained through extrinsic job satisfaction factors and intrinsic job satisfaction factors.



*Figure 1: Conceptual framework of participation in decision making and job satisfaction*

**Independent variable: Participation in decision making** can be seen as the following ways of PDM;-

1. Knowing of organizational aims and targets
2. Opportunity to solve problems
3. Regular meeting with boss
4. Invitation of employee suggestions
5. Learning skill outside current responsibility
6. Consultation
7. Getting extra responsibility
8. Getting extra training
9. Getting information about the organization
10. Feeling of PDM
11. The decision made by the boss him self
12. Discussion of employees concern
13. Working without interference
14. The decisions made related to individuals task

**The dependent variable is job satisfaction;** the most widely cited survey instruments to measure job satisfaction found in the literature are The Job Satisfaction Survey (JSS), the Job Descriptive Index (JDI) and the Minnesota Satisfaction Questionnaire (MSQ). Because of MSQ is the most widely and trusted instrument used to measure the overall job satisfaction the study

used the Minnesota Satisfaction Questionnaires instrument to measure the overall job satisfaction of the employees. According to Gunlu, Aksarayli, Percin, (2009) MSQ is a widely recognized and trusted scale that highlights important components that form job satisfaction and has been used to measure job satisfaction with three dimensions by several researchers (Chen, 2006; Feinstein and Vondrasek, 2001; Hancer and George, 2003; Lau and Chong, 2002) and demonstrated satisfactory results and reliability values. The 20 variables of the MSQ that were used to measure the overall job satisfaction estimates are as follows:

### **I. Intrinsic satisfaction**

1. Ability Utilization – opportunity to use abilities
2. Achievement – feeling of accomplishment from work
3. Activity – keeping busy
4. Advancement – opportunity for promotion
5. Authority – being in-charge of others
6. Variety – the opportunity to do different things
7. Creativity – flexibility to try one's own methods
8. Independence – opportunity to work alone
9. Moral Values – opportunity to act in ways that do not go against beliefs
10. Recognition - acknowledgment for a job well done
11. Responsibility – freedom to use personal judgment
12. Security – anticipation of steady employment
13. Social Service – being able to help others
14. Social Status – being respected in the community

### **II. Extrinsic satisfaction**

15. Supervision-human relations – relationship between employee and supervisors
16. Supervision-technical – the technical quality of the supervision
17. Working Conditions – physical aspects of the work environment
18. System policies and practices – the revenue authority policy implementation
19. Compensation – perceived balance of work performed to salary received
20. Co-Workers – relationships with co-workers.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **INTRODUCTION**

The major purpose of the research was to assess the relationship between of employee participation in decision making and job satisfaction at Gondar city revenue administration. The chapter includes a discussion of the research design, sources of data, population, sample and sampling techniques, tools and procedures of data collection and methods of data analysis.

#### **3.1. Research design**

The study used both descriptive and explanatory study design collected from employees.

A descriptive research design was used to conduct the study because the researcher interested in describing the existing situation under study. Descriptive survey method is appropriate to assess, describe, interpret and analyze the level of employee participation in decision making and job satisfaction. This study also used explanatory study design, to explaining, understanding, predicting and controlling the relationship between variables. The cross sectional survey design was employed for the purpose of this study in the sense that relevant data is collected at one point in time.

#### **3.2. Population and sample**

##### **A. Target Population**

This study was conducted at Gondar city revenue administration to assess the relationship between participation in diction making and job satisfaction of the revenue administration employees. Gondar city is far from the capital city of Ethiopia around 738 kms. It is found in Amhara region, north Gondar zone. The main purposes of Gondar city revenue administration is to promote the voluntary compliance of taxpayers, ensure integrity and develop the skill of the employees, support the modernization and harmonization of the taxes administration system, contribute to economic development and social welfare through effective revenue collection. Know a day's organizational Structure of Gondar city revenue administration is made up of five main process and two supportive process namely; the revenue collection and monitoring main process, tax audit and enforcement main process, tax education and public relation main process, human resource management supportive process, planning, monitoring and

revenue support process and customer service delivery supporting process. Based on different profession they have 214 employees.

### **B. Population size**

The target populations are 214 employees in all departments at Gondar city revenue administration. The researcher selects all employees because of all employees have a right to participate in decision making with related to their job satisfaction.

### **C. Sample size determination**

According to Williams (1997) it was necessary to select a subsection of the element from the population under consideration to make the research more manageable. If this subsection is chosen following the correct principals it shall be possible to draw inference about the characteristics of population on the basis of the statistics derived to take the sample section from the GCRA, which are totally 214 in number.

The formula was developed by (Yamane, 1973) to calculate sample size. At 95% confidence interval and  $P = 5\%$ , are assume for the equation. 
$$n = \frac{N}{1 + N(e)^2}$$
 Where  $n$  is the sample size,  $N$  is the population size and  $e$  is the level of precision.

### **D. Sample size**

Based on the above formula, sample size is

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{214}{1 + 214(0.05)^2} = 139 \text{ employs are the sample size of the study.}$$

### **E. Sampling method**

The populations of the study was taken from Gondar city revenue administration and it includes 214 employees by using Taro Yamane's, (1967) formula All employees have been select by stratified sampling entails first dividing the population into non-overlapping subpopulations. According Cochran and Schreuder *et al.* (1977 and 1993, as cited in Czaplewski, McRoberts and Tomppo 2004), numerous reasons may be given as justification for stratified sampling. First; stratification is used to increase the precision of population estimates. A second reason for stratification is that it may contribute to avoiding estimation bias depending on the estimator select

and a third reason for stratification is to accommodate different sampling protocols or different estimation procedures for different subpopulations.

Table 1.The proportionate calculation of the sampling,  $\frac{139}{214} \times 100\% = 65$

Stratum	Total No. of sample	Number
Revenue collection	158	$158 \times 65\% = 103$
Tax audit	20	$20 \times 65\% = 13$
Tax education	5	$5 \times 65\% = 3$
Human resource	10	$10 \times 65\% = 6$
ICT development	5	$5 \times 65\% = 3$
Planning and monitoring	2	$2 \times 65\% = 1$
Customer service	14	$14 \times 65\% = 9$
Total	214	139

### 3.3. Research instrument

The major source of primary data was questionnaire and secondary data like journals, books, articles, master thesis, dissertation and internets were also used. The first part of the questionnaire was designed to collect information on demographic characteristic of respondents consists 4 items, like gender, age, educational level, and total service years also used.

#### 3.3.1 Participation in decision making

The researcher used questionnaire developed by Florence, (2011) for Participation in decision making (independent variable). It was the Second part of the questionnaire operationalize by asking respondents to indicate on a five-point Likert-scale how frequently they participated on various aspects of decision making and it consists 14 items. The scale ranged from 1 = Never, 2= occasionally, 3= often, 4= mostly to 5 = always.



### **3.3.2 Job satisfaction**

The third part of the questionnaire was job satisfaction (dependent variable), the researcher used most popular rating scale is the Minnesota Satisfaction Questionnaire (MSQ) (Weiss, Dawis, England, and Lofquist, 1967). That was operationalize by asking respondents to indicate on a five-point Likert scale how their level of job satisfaction on various aspects of job satisfaction and it consists 40 items. The scale ranged from 1=very dissatisfied, 2= dissatisfied, 3=neither dissatisfied nor satisfied, 4= satisfied to 5 = very satisfied.

## **3.4 Validity and reliability test of the instrument**

### **Reliability**

Cronbach's Alpha coefficient of reliability (or consistency) is a measure of squared correlation between observed scores and true scores; the more consistent within subject responses are, and the greater the variability between subjects in the sample, the higher Cronbach's alpha will be also the alpha will be higher when there is homogeneity of variances among items than when there is not.

Hair, Anderson, Tatham and Black (1998), noted that when the alpha score is higher, the reliability of the test will be greater. There isn't a generally agreed cut-off, but researchers see that commonly 0.70 and above is acceptable. Nunally (1978) argues that within social sciences, the more acceptable alpha score is 0.70 or higher for a set of items to be considered a scale, while others are as lenient as 0.60. According to Asubonteng, McCleary and Swan (1996), high reliabilities are desirable such as 0.90 or above, whilst reliabilities below 0.60 may demand additional research in order to develop a revised instrument with greater reliability.

Also George and Mallery (2003) provide the following rules of thumb:

“> .9 = Excellent, > .8 = Good,> .7 = Acceptable, > .6 = Questionable,> .5 = Poor, < .5 = Unacceptable”.

**Table 2: Result of Reliability Analysis**

<b>Components</b>	<b>Number of Factors</b>	<b>Cronbach Alpha</b>
Participation in decision making	14	0.837
Intrinsic job satisfaction	28	0.859
Extrinsic job satisfaction	12	0.865

Source: (Survey Data, 2015)

Based on outputs obtained from the 20 respondents of the revenue administration employees data computation of Cronbach Alpha on SPSS version 20.0, the above table each components Participation in decision making 0.837, Intrinsic job satisfaction 0.859 and Extrinsic job satisfaction 0.865 / variables result shows above 0.7 with the Cronbach Alpha values for It indicated that the measures were reliable and acceptable based on George and Mallery (2003), rule to address the research problem.

### **Validity Test**

After establishing reliability of the instrument, the validity of the instrument was reviewed through content validity and internal validity. In case of content validity, the contents of the questionnaire were adapted from Florence, (2011) for Participation in decision making (independent variable) and used most popular rating scale is the Minnesota Satisfaction Questionnaire (MSQ) (Weiss, Dawis, England, and Lofquist, 1967) for job satisfaction (dependent variable) and also reviewed by the principal advisor. The internal validity was measured by a scouting sample (pilot test). The pilot-testing of scale items is considered to be tested on a small sample for the purposes of improving these items by identifying and eliminating potential problems.

### **3.5. Data analysis technique**

After the questionnaires have been collected, the researcher was used standard statistical analysis technique called Statistical Package for Social Science (SPSS) version 20. To measure the central

tendency and dispersion of participation in decision making and job satisfaction the researcher used descriptive (statistical) analysis.

In order to see the relationship between participation in decision making (in dependant variable) and job satisfaction (dependent variable), relationship between each ways of participation in decision making and participation in decision making and the relationship between intrinsic and extrinsic satisfactions with job satisfaction the researcher has been used inferential (statistical) analysis: Pearson's Correlation Coefficient ( $r$ ) analysis, multiple regressions and simple linear regression analysis.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION**

#### **INTRODUCTION**

Under this section, data collected from employees are presented and the analysis is made based on the information obtained from those functional groups. In this manner, questionnaires were distributed to a total of 139 respondents from current employees of the revenue administration among which 129(92.80%) were returned back. Out of 129, 125 were found usable for the study which was 89.9% from the total respondents. 4 questionnaires were discarded due to incompleteness and large number of missing values.

This chapter presents the results of the study based on the empirical study of the data collected from the research respondents and discussion of results with respect to prior research results and literature. In this chapter, both descriptive and inferential on the data analysis and procedures are presented.

To facilitate ease in conducting the empirical analysis, the results of the descriptive analysis are presented first, followed by the inferential analysis.

The first phase involved editing, coding and the tabulation of data. This assisted in identifying any anomalies in the responses and the assignment of numerical values to the responses in order to continue with the analysis. The data was then checked for possible erroneous entries and corrections made appropriately. The statistical program used for the analyses and presentation of data in this study is the Statistical Package for the Social Sciences (SPSS) version 20. The descriptive statistics utilized are based on frequency tables to provide information on the demographic variables. Through tables, summary statistics such as means, standard deviations, minimum and maximum are computed for the level of employee participation in decision making and level of job satisfaction.

This is followed by presentation of inferential statistics based on each hypothesis formulated for the study. All statistical test results were computed at the 2-tailed level of significance. The alpha levels of .05 and .01 selected a priori for test of significance for correlations, multiple regression and simple linear regression.

## 4.2 Background Information of Respondents

Table 3. Frequency of Demographic characteristics of Respondents

		Frequency	Percent
<b>Sex</b>	Male	62	49.6
	Female	63	50.4
	Total	125	100.0
<b>Age</b>	18-25years	47	37.6
	26-35years	73	58.5
	36-45years	5	4
	Total	125	100.0
<b>Edu_ evel</b>	Certificate	-	-
	Diploma	7	5.6
	1 <sup>st</sup> Degree	115	92
	Masters	3	2.4
	Total	125	100.0
<b>Working experience</b>	1-2years	33	26.4
	3-4years	59	47.2
	5-7years	30	20.8
	8-10years	7	5.6
	Total	125	100.0

Source: Computed from the survey data, 2015

Table 3 above indicates background information of respondents participated in the study. Sex, age, educational level and working experience of the sample respondents are displayed in the table.

As shown from the table item number 1 sex distribution of the sample, 62 (49.6%) of the total respondents are male, 63 (50.4%) are female. This implies that the proportion of female employees is larger than that of male employees in the sampled public service organization.

As far as age of respondents is concerned, 73 (58.5%) of the respondents are in the range of 26-35 years, 47 (37.6%) of the respondents are in the range of 18-25 years, 5 (4 %) are in the range of 36-45 years and no respondents are above 45 years, as revealed from item number 2 of the table. From this, it can be understood that the public service enterprises under study consist of mainly below 45 and age groups with majority of 26-35 years.

The table further indicates educational level of respondents. From the table, 7(5.6%) of the respondents are diploma holders, 115 (92%) of the respondents are degree holders and 3 (2.4%) of the respondents are above degree. The lowest respondents were masters' holders.

With regard to years of working experience 26.4 % of the respondents had 1-2 years, 47.2 % of the respondents had 3-4 years, 20.8% of respondents had 5-7 years and the rest 5.6 % of the respondents had 8-10 years work experience.

### **4.3 Results of measures of central tendency and dispersion level of PDM**

This part explains the descriptive statistics calculated on the basis of the variables included in the participation in decision making. The measures of central tendency and dispersion for participation in decision making, overall level of participation in decision making results obtained from the sample respondents are shown in tables 4.

Besides, the average scores were calculated for each item. The findings are presented in the order of descending means and standard deviation.

In table 4 items with means above 3.0 were regarded to present aspects that are often, mostly, or always observed by the respondents. These include: employees' knowledge of the revenue administration aims and targets (mean = 3.50 std. deviation=1.059); giving employees an opportunity to solve problems connected with their work (mean = 3.48 std. deviation= .789); regular meetings to discuss organizational development (mean = 3.32 std. deviation= .955) and availability of seniors in discussing employees' concerns, worries, or suggestions (mean = 3.05 std. deviation= .909). In addition, the findings indicate items with means below 3.0; indicating

**Table 4: Results for each ways of participation in decision making and overall level of participation in decision making**

	N	Minimum	Maximum	Mean	Std. Deviation
106=Iknoworganizationai msandtargets	125	1.00	5.00	3.50	1.059
112=opportunitytosolvepr oplems	125	2.00	5.00	3.48	.789
117=regularmeetingwith myboss	125	2.00	5.00	3.32	.955
107=mybosssdiscussmyco ncerwithme	125	1.00	4.00	3.05	.909
110=learnskilloutsidemyr esponsiblity	125	1.00	4.00	2.88	.917
108=decisionsinmydep'tm adethroughconsultation	125	1.00	5.00	2.88	1.020
115=opportunitytogetextr aresponsiblity	125	1.00	5.00	2.84	1.095
116=opportunitytogetextr atraining	125	1.00	4.00	2.76	.862
113=mybossgivemeinfor mationoftheorganization	125	1.00	4.00	2.72	.883
118=ifeeltheirisparticipati onindecisionmaking	125	1.00	4.00	2.68	.545
114=mybossmadealldecis ionsinthedep'tbyhimself	125	1.00	4.00	2.65	.951
111=mybossinvitesmysug gwstions	125	1.00	4.00	2.53	.875
105=workingwithoutinter frenceofboss	125	1.00	4.00	2.19	1.029
109=decisionmadeinmyde p'trelatedtoindividualestask	125	1.00	4.00	2.15	1.107
Valid(listwise)N	125				
<b>Overall level of pdm</b>	<b>125</b>	<b>1.79</b>	<b>3.21</b>	<b>2.68</b>	<b>.352</b>

Source: Computed from the survey data, 2015

aspects that are occasionally or never observed at the revenue administration. These include: employees are encouraged to learn skills outside their immediate area of responsibility (mean = 2.88 std. deviation= .917); the fact that decision-making in the departments is made through consultation with members of the department (mean = 2.88 std. deviation= 1.020); award of extra responsibility by the seniors (mean = 2.84 std. deviation= 1.095); support for extra training(mean = 2.76 std. deviation= .862) ; keeping employees updated with what is happening in the organization (mean = 2.72 std. deviation= .883); employees feel there is participation in decision making in the organization(mean = 2.68 std. deviation= .545) ; boss made all the decisions in the department by himself (mean = 2.65 std. deviation= .951) ; the seniors asks the juniors to do things, whilst giving them reasons why, and inviting their suggestions(mean = 2.53 std. deviation= .875); being left to work without interference from seniors but help is available when needed (mean = 2.19 std. deviation= 1.029) and decisions made in the department related to individuals task (mean = 2.15 std. deviation= 1.107).

Finlay the overall participation indecision making shows (mean=2.68 std. deviation= .352).

According to Graham and Bennet, (1998), Cole, (1997), (Helms, 2006) and (Papa et.al 2008) the above ways of participation indecision making can measure the level of employee involvement at work place.

As of the researchers Florence (2011), Miodraga, Morj and Vensa (2014) mean score above 3.00 is considered high, 2.8-2.9 considered moderate and below 2.8 is low level of participation in decision making.

The findings show that decision-making at the revenue administration isn't participatory. Overall mean was found to be 2.68 which show low level of participation in decision making.

***Hypothesis 1: The level of employees' participation in decision making at the revenue administration is low.***

It can be recalled that a hypothesis that stated the level of employees' participation in decision making at Gondar city revenue administration is low was formulated in the first chapter of the thesis. Consequently the level of the overall of employees' participation in decision making at Gondar city revenue administration has been tested on the basis of the sampled employees' response towards the 14 antecedents of PDM. As indicated below in Table 4.1 a one sample t test



shows that the variables are normally distributed and the hypothesis has been accepted at 99% level of confidence.

**Table 4.1 One-Sample Test of participation in decision making**

Test Value = 2.8						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
PDM	-3.601	124	.000	-2.84615	-2.9144	-2.7780

Source surveys taken, 2015

#### **4.4 Results of measures of central tendency and dispersion of job satisfaction**

This part explains the descriptive statistics calculated on the basis of the variables included intrinsic, extrinsic satisfaction factors and overall level of job satisfaction. The measures of central tendency and dispersion for intrinsic, extrinsic satisfaction factors and overall level of job satisfaction results obtained from the sample respondents are shown in tables 5.

Besides, the average scores were calculated for each item. The findings are presented in the order of descending means and standard deviation.

Table 5 depicts the results for the dimensions of employee's job satisfaction. As showed from the results in Table 5 security has moderate mean value (mean = 3.64 std. deviation= .612) and moral values moderate mean value (mean= 3.46 std. deviation= .612 ) than other intrinsic satisfaction variables while others have low level of satisfaction indicated below 3.39 mean value such as; social services, achievement, recognition ,responsibility, social status , activity, ability, creativity, independence, Varity, authority and advancement (mean = 3.36,3.24,3.11,2.96, 2.92,2.91,2.87,2.64,2.59,2.52 ,2.48 and 2.44 respectively) employees have low satisfaction.

In extrinsic satisfaction variables co-workers, supervision relation, policy, compensation, technical quality of supervision and working conditions (mean = 3.04, 3.00, 2.94, 2.88, 2.78 and 2.65 respectively) has low satisfaction.

In the above section, each variable was examined in details as to what means in relation to standard deviation value of each item. According to Zedatol (2008) Mean score above 3.80 is considered high, 3.40-3.79 considered moderate and below 3.39 considered as low satisfaction.

Generally in the revenue administration employees has low satisfaction on both intrinsic and extrinsic satisfaction (mean= 2.94 and 2.88 respectively), finally the overall satisfaction of the employees on their job is low (mean = 2.91).

***\*Hypothesis 2: The level of employees' job satisfaction at Gondar city revenue administration is low.***

It can be recalled that a hypothesis that stated the level of employees' job satisfaction at Gondar city revenue administration is low was formulated in the first chapter of the thesis. Consequently the level of the overall job satisfaction level of employees at Gondar city revenue administration has been tested on the basis of the sampled employees' response towards the 40 antecedents of job satisfaction. As indicated below in Table5.1 a one sample t test shows that the variables are normally distributed and the hypothesis has been accepted at 99% level of confidence.

**Table 5.1 One-Sample Test overall job satisfaction**

	Test Value = 3.39					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Overalljobsatisfaction	-20.915	124	.000	-.47524	-.5202	-.4303

**Table 5: Results for intrinsic and extrinsic factors of job satisfaction and overall level of job satisfaction**

	N	Minimum	Maximum	Mean	Std. Deviation
129=security	125	2.00	4.00	3.64	.612
126=moral values	125	1.00	5.00	3.46	.988
130=social service	125	1.00	4.00	3.36	.883
120=achievement	125	1.00	4.00	3.24	.655
127=recognition	125	1.00	4.00	3.11	.881
138=co-worker	125	1.00	4.00	3.04	.705
133=supervision r/ship	125	1.00	5.00	3.00	.946
128=responsibility	125	2.00	4.00	2.96	.671
136=policies	125	1.00	5.00	2.94	.969
131=social status	125	1.00	5.00	2.92	.993
121=activity	125	2.00	4.00	2.91	.793
137=compensation	125	2.00	5.00	2.88	.725
119=ability to utilize	125	1.00	4.00	2.87	.879
134=supervisionthecqua	125	1.00	4.00	2.78	.848
135=working conditions	125	1.00	5.00	2.65	1.276
124=creativity	125	2.00	4.00	2.64	.688
125=independence	125	1.00	4.00	2.59	.708
132=Varity	125	1.00	4.00	2.52	.921
123=authority	125	1.00	4.00	2.48	1.020
122=advancement	125	1.00	4.00	2.44	.827
<hr/>					
<b>Intrinsic satisfaction</b>	<b>125</b>	<b>2.14</b>	<b>3.57</b>	<b>2.94</b>	<b>.384</b>
<b>Extrinsic satisfaction</b>	<b>125</b>	<b>2.17</b>	<b>3.50</b>	<b>2.88</b>	<b>.425</b>
<b>Over all job satisfaction</b>	<b>125</b>	<b>2.35</b>	<b>3.50</b>	<b>2.91</b>	<b>.254</b>

Valid N (listwise) 125

Source survey taken, 2015

#### 4.5 Pearson Correlation Analysis

Based on the research questions, the previously discussed literature and the analytical model that was used, the study tested the following hypotheses against empirical quantitative data. In this study, Pearson correlation was used to measure the association of hypothesis variables. With Pearson correlations, the correlation coefficient was measured.

A high level of correlation is implied by a correlation coefficient when  $r = 0.5$  to  $1.0$  or  $-0.5$  to  $-1.0$  in absolute terms (i.e. - greater than  $0.5$  or less than  $-0.5$ ). A mid level of correlation is implied if  $r = 0.3$  to  $0.49$  or  $-0.3$  to  $-0.49$ . A low level of correlation is implied if  $r = 0.1$  to  $0.29$  or  $-0.1$  to  $-0.29$  (Cohen, 1988; Julie, et al 2003).

On this study, Pearson's Product Moment Correlation Coefficient was used to determine the following relationships.

- The relationships between each ways of participation in decision making and overall participation indecision making.
- The relationship between overall PDM and overall job satisfaction.
- The relationship between extrinsic and intrinsic satisfaction factors with overall job satisfaction.

\* The relationship between overall PDM and extrinsic and intrinsic satisfaction factors

***\* Hypothesis 3: There is a positive strong and significant relationship between each ways of participation in decision making and participation in decision making.***

So as to determine whether there are significant relationships between the ways of participation in decision-making and overall participation indecision making. Pearson's Product Moment Correlation was computed. Table 6 below demonstrates the results of Pearson's Product Moment Correlation on the relationship between each ways of participation in decision making and overall participation indecision making for the sample respondents. Also the table shows that, the correlation coefficients for the relationship between ways of participation in decision making and overall participation indecision making are positive ranging from very low to high correlation coefficients.

From the table, knowing of organization aim and targets ( $r = .731$ ,  $p < 0.01$ ), opportunity to solve problems ( $r = .632$ ,  $p < 0.01$ ) and regular meeting with boss ( $r = .564$ ,  $p < 0.01$ ) indicate that they

have strong and statistically significant relationship with participation indecision making.

**Table 6: The relationship between each ways of participation in decision making and overall participation indecision making, (N= 125).**

Item	118=ifeeltheirisPdm in the	
	Pearson Correlation	Sig. (2-tailed)
105=workingwithoutinterfrenceofboss	.381**	.000
107=mybossdiscussmyconcernswithme	.215**	.001
108=decisionsinmydep'tmadethrou	.107	.101
109=decisionmadeinmydep'trelate	.349**	.000
110=learnskilloutsidemyresponsiblity	.096	.140
111=mybossinvitesmysuggwstions	.387**	.000
112=opportunitytosolveproplems	.632**	.000
113=mybossgivemeinformatio	.272	.272
114=mybossmadealldecisionsinth	.255**	.000
115=opportunitytogetextrarespons	.180**	.005
116=opportunitytogetextratraining	.168**	.009
117=regularmeetingwithmyboss	.564**	.000
106=Iknoworganizationaimsandtarge	.731**	.000

\*\*. Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for this research, 2015

On the other hand invitation of employee suggestion ( $r=.387$ ,  $p<0.01$ ), working without interference ( $r=.381$ ,  $p<0.01$ ) the decision made in the department related to individuals task ( $r=.349$ ,  $p<0.01$  and have medium and statistically significant relationship with participation indecision making. The null hypothesis is rejected.

Unluckily the other findings could not be compared to literature and research findings, due to lack of similar studies.

*\* Hypothesis 4: There is a positive, strong and significant relationship between employees' perception towards extrinsic job factors and job satisfaction.*

*\* Hypothesis 5: There is a positive, strong and significant relationship between employees' perception towards intrinsic job factors and job satisfaction.*

As displayed in table 7 below, Person's Product Moment Correlation was computed so as to determine whether there are significant relationships between intrinsic and extrinsic facets of job satisfaction and job satisfaction. Thus, the result of the table illustrates there is positive relationship between the intrinsic and extrinsic facets of job satisfaction and job satisfaction ranging from medium to high correlation coefficients.

Findings from the correlations in table 7, therefore, indicate that, there is strong and positive relationship between intrinsic satisfaction which includes; authority and job satisfaction ( $r = 0.692, p < 0.01$ ), social status and job satisfaction ( $r = .667, p < 0.01$ ), security and job satisfaction ( $r = .525, p < 0.01$ ), advancement and job satisfaction ( $r = 0.502, p < 0.01$ ) which are statistically significant at 99% confidence level. Furthermore, correlation results of the table 7 above demonstrate that, there is moderate and positive relationship between creativity and job satisfaction ( $r = 0.478, p < 0.01$ ), moral values and job satisfaction ( $r = 0.437, p < 0.01$ ), achievement and job satisfaction ( $r = 0.355, p < 0.01$ ) Variety and job satisfaction ( $r = 0.342, p < 0.01$ ) which are statistically significant at 99% confidence level.

On the other hand from the correlations in table 7 below, therefore, indicate that, there is moderate and positive relationship between extrinsic satisfaction which includes; co-worker and job satisfaction ( $r = 0.395, p < 0.01$ ), working condition and job satisfaction ( $r = .404, p < 0.01$ ) and supervision relationship and job satisfaction ( $r = .389, p < 0.01$ ) which are statistically significant at 99% confidence level. Then the null hypothesis is rejected. The findings on this hypothesis concurred with Herzberg et al (1957), Moorhead and Griffin (1989), and Guion (1998) findings that aspects of a job such as advancement, the degree of freedom to act, the scope to use and develop skills and abilities, responsibility, the rewards and punishment coupled with the quality of supervision will affect the employee's level of job satisfaction.

**Table 7: The relationship between the intrinsic and extrinsic facet of job satisfaction and job satisfaction**

	Satisfied with my job		
	Pearson Correlation	Sig. (2-tailed)	N
129=security	.525**	.001	125
126=moral values	.437**	.000	125
130=social service	.168	.062	125
120=achievement	.355**	.000	125
127=recognition	.240**	.007	125
138=co-worker	.395**	.000	125
133=supervision r/ship	.389**	.000	125
128=responsibility	.298**	.001	125
136=policies	.044	.627	125
131=social status	.667**	.000	125
121=activity	.065	.474	125
137=compensation	.083	.357	125
119=ability to utilize	.044	.504	125
134=supervitionthecqua	.022	.806	125
135=working conditions	.404**	.000	125
124=creativity	.478**	.000	125
125=independence	.229*	.010	125
132=Varity	.342**	.000	125
123=authority	.692**	.000	125
122=advancement	.502**	.000	125

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for this research, 2015

**Table 7.1 Pearson correlation between total job satisfaction and total extrinsic satisfaction**

		Job satisfaction
Extrinsic satisfaction	Pearson Correlation	.674**
	Sig. (2-tailed)	.000
	N	125

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for this research

A correlation analysis particularly a Pearson correlation was done between job satisfaction and extrinsic satisfaction to test the hypothesis In the Table 7.1 (job satisfaction and its determinant), the results showed that extrinsic satisfaction is strong and positive relationship with job satisfaction: as table 7.1 indicated the Pearson correlation of extrinsic satisfactions with job satisfaction is 0.674 that is statistically significant at the level of .01 a 99% degree of confident.

The Correlation coefficient is  $> 0$ ; this implied that the extrinsic satisfaction and job satisfaction change in the same direction. From the results of correlation table 7.1 (job satisfaction and it determinant) the null hypothesis is rejected. Previous literatures and studies find similar results that support this finding. The recent research of Mafini,C. and Dlodlo,N. (2014) shows that statistical significant relationship were observed between job satisfaction and four extrinsic motivation factors: remuneration, quality of work life, supervision and teamwork.

Most research indicates that the quality of the supervisor-subordinate relationship will have a significant, positive influence on the employee's overall level of job satisfaction (Aamodt, 1999; Kinicki & Vecchio, 1994; Luthans, 1992; Moorhead & Griffen, 1992; Robbins,1998).

In order to test the hypothesis, a correlation analysis particularly a Pearson correlation was done between job satisfaction and intrinsic satisfaction. In the Table 7.2 (job satisfaction and its determinant), the results showed that intrinsic satisfaction is strong, positive and significant relationship with job satisfaction: as table indicated the Pearson correlation of intrinsic satisfactions with job satisfaction is 0.576 that is statistically significant at the level of .01 a 99%



degree of confident. The Correlation coefficient is  $> 0$ ; this implied that the intrinsic satisfaction and job satisfaction change in the same direction so the null hypothesis is rejected. In his recent study Tausif M.(2012) conclude that intrinsic rewards such as task autonomy, task significance, task involvement, opportunity to learn new things and recognition are important antecedence to job satisfaction for the employees of service sector organizations.

Previous literatures and studies find similar results that support this finding Martinez-Ponz (1990) found that intrinsic rewards were more effective in increasing job satisfaction and commitment among teachers than were financial incentives. Similarly, Reyes, Madsen, and Taylor (1989) found that intrinsic rewards had more influence on educators than any organizational rewards. Stewart (2000) suggested that helping to make workers feel independent had large positive effects on both performance and satisfaction outcomes. Kirkman and Rosen's (1999) work also spoke to the importance of worker autonomy and its positive relationship with job satisfaction and performance.

**Table 7.2 Pearson correlation between total job satisfaction and total intrinsic satisfaction**

		Job satisfaction
intrinsic satisfaction	Pearson Correlation	.576**
	Sig. (2-tailed)	.000
	N	125

\*\*, Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for this research

**\* Hypothesis 6: There is a positive, strong and significant relationship between participation in decision making and job satisfaction**

**Table 8: Pearson correlation between total participation in decision making and job satisfaction**

		overallJob satisfaction
PDM	Pearson Correlation	.576**
	Sig. (2-tailed)	.000
	N	125

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for this research

Table 8 shows that there is a positive, strong and statically significant relationship between employee participation in decision making and job satisfaction with  $r = .597$  indicating that employee participation in decision making contributes 59.7% to their job satisfaction this would imply that employee PDM change their satisfaction towards their job in the same direction then the null hypothesis is rejected. The researchers Bonnie (1993), Florence (2011) and Sophia, Kostas and Cosmas (2014) in their recent study agreed that there is a significant and positive relationship between PDM and job satisfaction. Also the result is in support of Kingirand Mesci, (2010) and Singh, (2009) who affirmed that employees must be involved in decision making if they are to be committed to changing their behaviors at work in new and improved ways, Noah, (2008) noted that involvement of workers in decision making is a tool for inducing motivation in the workers, leading to positive work attitude and high job satisfaction.

**\* Hypothesis 7: *There is a positive and significant relationship between overall participation in decision making and intrinsic and extrinsic job satisfaction factors.***

As displayed in table 9 below, Person's Product Moment Correlation was computed so as to determine whether there are significant relationships between participation in decision making and intrinsic and extrinsic facets of job satisfaction. Thus, the result of the table illustrates there is positive relationship between PDM and intrinsic and extrinsic facets of job satisfaction ranging from low, medium to high correlation coefficients.

**Table 9: The relationship between PDM and intrinsic and extrinsic facet of job satisfaction**

	PDM		
	Pearson Correlation	Sig. (2-tailed)	N
129=security	.065	.474	125
126=moral values	.224**	.000	125
130=social service	.373**	.000	125
120=achievement	.010	.914	125
127=recognition	.221*	.013	125
138=co-worker	.416**	.000	125
133=supervision r/ship	.434**	.000	125
128=responsibility	.533**	.000	125
136=policies	.134	.137	125
131=social status	.128	.155	125
121=activity	.055	.545	125
137=compensation	.609**	.000	125
119=ability to utilize	.547*	.012	125
134=supervitionthecqua	.036	.687	125
135=working conditions	.516**	.000	125
124=creativity	.493**	.001	125
125=independence	.677**	.000	125
132=Varity	.088	.329	125
123=authority	.363**	.000	125
122=advancement	.698**	.000	125

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Developed for this research, 2015

Findings from the correlations in table 9, therefore, indicate that, there is strong and positive relationship between intrinsic satisfaction which includes; PDM and advancement ( $r = 0.698$ ,  $p < 0.01$ ), PDM and independence ( $r = .677$ ,  $p < 0.01$ ), PDM and ability to utilize ( $r = .547$ ,  $p < 0.01$ ), PDM and responsibility ( $r = 0.533$ ,  $p < 0.01$ ) which are statistically significant at 99% confidence

level. Furthermore, correlation results of the table 9 above demonstrate that, there is moderate and positive relationship between PDM and creativity ( $r = 0.493$ ,  $p < 0.01$ ), PDM and social service ( $r = 0.373$ ,  $p < 0.01$ ), PDM and authority ( $r = 0.363$ ,  $p < 0.01$ ) which are statistically significant at 99% confidence level.

On the other hand from the correlations in table 9, therefore, indicate that, there is strong and positive relationship between extrinsic satisfaction which includes; PDM and compensation ( $r = 0.609$ ,  $p < 0.01$ ), PDM and working condition ( $r = .516$ ,  $p < 0.01$ ), PDM and supervision relationship ( $r = .434$ ,  $p < 0.01$ ) PDM and co-worker ( $r = .416$ ,  $p < 0.01$ ) which are statistically significant at 99% confidence level. The findings indicate that the level of job satisfaction for workers at the revenue administration increases proportionately with an increase in their level of participation in decision-making. Then the null hypothesis is rejected.

Correlation analysis confirmed this hypothesis by establishing a positive correlation between the level of participation in decision-making and the level of job satisfaction. As of the researchers Bonnie (1993), Florence (2011) and Sophia, Kostas and Cosmas (2014) in their recent study agreed that there is a significant and positive relationship between PDM and job satisfaction.

#### **4.6 Multiple Regressions**

In order to determine the extent to which the explanatory variables explain the variance in the explained variable, multiple regression analysis was performed. Multicollinearity Test: in multiple regression analysis, Multicollinearity refers to the correlation among the independent variables. According to the rule of thumb test, Multicollinearity is a potential problem if the absolute value of the sample correlation coefficient exceeds 0.7 for any two of the independent variable, (Anderson et al., 2011). Before conducting the multiple regression analysis, the researcher examined the result of multiple correlations among the independent variables and found that, the pair wise correlation between the independent variables is below 0.7.

The following subsections present the results of multiple regression analysis.

Regress PDM (as dependent variable) and the ways of PDM (as independent variable).

As it is observed from table 10 below, the coefficient of multiple correlations  $R$  which is the degree of association PDM with ways of PDM is 0.943. Given the  $R$  square value of 0.889 and

adjusted R square of 0.876, the model summary reveals that the proportion of the variation in PDM explained by with ways of PDM jointly is 88.9 %. The remaining 11.1% of the variance is explained by other variables not included in this study. The F-statistic of 68.648 at 13 and 36.832 degrees of freedom further shows that the explanatory variables ways of PDM considered in this study can significantly explain the variation on the dependent variable-PDM at 99% confidence level. Moreover, the table indicates that, when the other variables are controlled, nine of the explanatory variables are statistically significant at 99% confidence level, and the employees' knowledge of the revenue administration aims and targets is the best predictor of PDM with Beta-value of .978. This is followed by the opportunity to solve problems and regular meeting with my boss by with Beta-values of 0.805 and 0.622, respectively the lowest Beta- value was 0.045 opportunities get extra responsibility. From the table, whilst giving them reasons why, and inviting their suggestions , the fact that decision-making in the departments is made through consultation with members of the department, keeping employees updated with what is happening in the organization, the decision made in the department related to individuals task, learn skills outside my responsibility area, availability of seniors in discussing employees' concerns, worries, or suggestions and being left to work without interference from seniors but help is available when needed are statistically significant, at 99% confidence level then the null hypothesis is reject. Unluckily, other findings could not be compared to literature and research findings, due to lack of similar studies.

**Table 10: Regress PDM as dependent variable and the ways of PDM as independent variable**

Multiple R	.943
R Square	.889
Adjusted R Square	.876
Standard error	.191
Degree of freedom	13
Regression Residual	36.832
F	68.648
Sig. F	.000**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.426	.339		1.256	.001
105=workingwithoutinterfrenc	.595	.049	.123	12.168	.000
106=Iknoworganizationaimsan	.675	.067	.978	10.112	.000
107=mybosssdiscussmyconcers	.268	.084	.430	3.198	.002
108=decisionsinmydep'tmad	.152	.033	.286	4.583	.000
109=decisionmadeinmydep'tre	.185	.050	.359	3.732	.000
110=learnskilloutsidemymrespo	.088	.033	.149	2.655	.009
111=mybossinvitesmysuggwsti	.123	.060	.206	2.045	.043
112=opportunitytosolvepropl	.396	.067	.805	5.364	.000
113=mybossgivemeinformatio	.138	.047	.224	2.920	.004
114=mybossmadealldecisionsi	.076	.041	.133	.843	.068
115=opportunitytogetextrares	.022	.041	.045	.548	.585
116=opportunitytogetextratrai	.189	.076	.300	.507	.014
117=regularmeetingwithmybo	.929	.084	.622	11.128	.000

Source: computed from own data,2015

**Table11: Regress intrinsic satisfaction as independent variable and job satisfaction dependent variable.**

Multiple R .982

R Square .964

Adjusted R Square .959

Standard error .153

Degree of freedom Regression 14 Residual 2.581and F 210.240

Sig.000\*\*

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.026	.992		3.051	.003
119=ability to utilize	.107	.032	.124	3.337	.001
120=achievement	.809	.200	.698	4.041	.000
121=activity	.093	.047	.097	1.992	.049
122=advancement	.753	.084	.819	8.938	.000
123=authority	.232	.075	.312	3.080	.003
124=creativity	.426	.123	.386	3.457	.001
125=independence	.608	.196	.566	3.101	.002
126=moral values	.140	.037	.181	3.735	.000
127=recognition	.013	.062	.015	.209	.834
128=responsibility	.302	.130	.267	2.319	.022
129=security	.383	.038	.309	9.993	.000
130=social service	.359	.084	.418	4.264	.000
131=social status	.617	.088	.807	7.047	.000
132=variety	.248	.120	.300	2.071	.041

Source: Developed for this research,2015

The results shown in the table 11 suggest that the multiple regression between job satisfaction and the fourteen intrinsic facets of job satisfaction for the sample respondents is, as indicated by multiple R is .982.

The amount of variation in the dependent variable – job satisfaction that is accounted for by the optimal linear combination of the entire set of independent variables – the intrinsic facets of job satisfaction – is expressed by R square which is 0.964, and adjusted R square is 0.959. The F-statistic of 210.240 at 14 degree of freedom and 2.581 residual is statistically significant at 99% confidence level. This indicates the regression, expressed through the R square is statistically significant where the percentage of variation in job satisfaction explained by the variables accounts for 96.4 %, and other unexplored variables may explain the variation in job satisfaction which accounts for 3.6 %, indicated in table11.

Furthermore, table above shows those thirty explanatory variables; ability to Utilization, achievement, activity, advancement, authority, creativity, independence, moral values recognition, responsibility, Security , Social Service, Social Status and variety significantly explain the variation in job satisfaction. The highest Beta-value was computed for variable advancement (0.819), followed by the Beta value calculated for social service (0.807), achievement (0.698), and independence (0.566). Recognition was obtained with the lowest Beta-value of 0.015.

Since the coefficients of the ten explanatory variables are different from zero and statistically significant at 99% confidence level, they explained to the dependent variable that is job satisfaction. As such, the researcher rejects the null hypothesis. The finding is similar to the study of Tausif M. (2012). He conclude that intrinsic rewards such as task autonomy, task significance, task involvement, opportunity to learn new things and recognition are important antecedence to job satisfaction for the employees of service sector organizations and they are statically significant predictors of job satisfaction.

The results shown in the table 12 suggest that the multiple correlation between job satisfaction and the six extrinsic facets of job satisfaction for the sample respondents is, as indicated by multiple R is .670.

The amount of variation in the dependent variable – job satisfaction that is accounted for by the optimal combination of the entire set of independent variables – the extrinsic facets of job



satisfaction – is expressed by R square which is 0.450, and adjusted R square is 0.422. The F-statistic of 16.059 at 6 degree of freedom and 39.432 residual is statistically significant at 99% confidence level. This indicates the regression, expressed through the R square is statistically significant where the percentage of variation in job satisfaction explained by the variables accounts for 45 %, and other unexplored variables may explain the variation in job satisfaction which accounts for 55 %, indicated in table 12.

**Table12. Regress extrinsic satisfaction as independent variable and job satisfaction dependent variable**

Multiple R .670

R Square .450

Adjusted R Square .422

Standard error .578

Degree of freedom Regression 6 Residua 39.432 and F 16.059

Sig.000\*\*

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4.104	.412		9.960	.000
133=supervision r/ship	.363	.076	.452	4.788	.000
134=supervisiontechqu	.230	.072	.257	3.183	.002
135=working condition	.389	.057	.654	6.801	.000
136=policies	.393	.076	.502	5.197	.000
137=compensation	.247	.082	.236	3.015	.003
138=co-worker	.034	.094	.031	.359	.720

Source: Developed for this research,2015

Furthermore, table above shows those five explanatory variables; supervision relationship, supervision technical, working condition, compensation, and policy significantly explain the variation in job satisfaction. The highest Beta-value was computed for working condition (0.654), followed by the Beta value calculated for policy (0.502).co-worker was obtained with the lowest Beta-value of 0.031.

Since the coefficients of the five explanatory variables are different from zero and statistically significant at 99% confidence level, they explain to the dependent variable that is job satisfaction. As such, the researcher rejected the null hypothesis.

The recent research of Mafini,C. and Dlodlo,N. (2014) shows that statistical significant relationship were observed between job satisfaction and four extrinsic motivation factors: remuneration, quality of work life, supervision and teamwork and they are statically significant predictors of job satisfaction which is in line with the researcher findings.

#### 4.6.1 Simple Regressions

Table 13: Regression analysis between overall levels of PDM with overall level of job satisfaction

Multiple R	.597
R Square	.356
Adjusted R Square	.348
Standard error	.40510
Degree of freedom Regression	1
Residual	43.189
F	16.059
Sig.	.000**

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.800	.419		4.296	.000
	PDM	.600	.091	.597	6.572	.000

a. Dependent Variable: overalljobsatisfaction

The result as shown in table 13, reveals that employee participation in decision making has significant effect on job satisfaction at 99% of confidence with ( $\beta = 0.597$ ,  $t = 6.572$ ,  $P < .01$ ). Also employee participation in decision making is a predictor of job satisfaction ( $F(1, 124) = 43.189$ ;  $R^2 = 0.356$ ;  $P < .01$ ). The predictor variable single handedly explained 35.6% of the variance in job

satisfaction, while the remaining 64.4% could be due to the effect of extraneous variables. The researchers' HO (1997), Bamidele and Ella (2013), Miodraga, Marjan and Vesna (2014) agreed that participation in decision making and job satisfaction and PDM is statically significant predictor of job satisfaction. Also This result is in line with those of Drucker, (1954); Likert, (1967); Kuye and Suilaimon, (2011); Noah, (2008); Barringer and Bleudorn, (1999) and Cohen, Chang and Ledford, (1997) who concluded that to achieve increased workers' commitment and to humanize the workplace with the intention of improving job satisfaction and good citizenship behavior, managers need to permit a high degree of employee involvement in decision making.

**Table 14 : Regression analysis between all intrinsic satisfactions with overall job satisfaction**

Multiple R .576

R Square .332

Adjusted R Square .327

Standard error .20846

Degree of freedom Regression 1 Residual 5.345 and F 61.153

Sig.000\*\*

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.794	.145		12.415	.000
1 Intrinsic satisfaction	.381	.049	.576	7.820	.000

a. Dependent Variable: overall jobsatisfaction

The result as shown in table 14, reveals that employee Intrinsic satisfaction has significant effect on job satisfaction ( $\beta = 0.576$ ,  $t = 12.415$ ,  $P < .01$ ). Also Intrinsic satisfaction factors is a predictor of job satisfaction ( $F(1, 124) = 61.153$ ;  $R^2 = 0.332$ ;  $P < .01$ ). The predictor variable single handedly explained 33.2% of the variance in job satisfaction, while the remaining 66.8% could be due to the effect of extraneous variables.

**Table 15 : Regression analysis between all extrinsic satisfactions with overall job satisfaction**

Multiple R .674  
 R Square .454  
 Adjusted R Square .450  
 Standard error .18846

Degree of freedom Regression 1 Residual 4.369 and F 102.308

Sig.000\*\*

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.753	.116		15.093	.000
1 Extrinsic satisfaction	.403	.040	.674	10.115	.000

a. Dependent Variable: overall jobsatisfaction

The result as shown in table 15, reveals that employee extrinsic satisfaction factors has significant effect on job satisfaction ( $\beta = 0.674$ ,  $t = 15.093$ ,  $P < .01$ ). Also Intrinsic satisfaction factors is a predictor of job satisfaction ( $F(1, 124) = 102.308$ ;  $R^2 = 0.454$ ;  $P < .01$ ). The predictor variable single handedly explained 45.4% of the variance in job satisfaction, while the remaining 54.6% could be due to the effect of extraneous variables.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1. Summary of major findings**

Ethiopia needs to reduce the budget deficit of the country to achieve its objective of alleviating poverty and creating a country with a middle income economy. The roles played by public revenue administration sectors are very important in this regard, the public revenue administrations are directly involved in producing the required budget resource of the country by collecting revenue. As a result, they are required to maintain a good involvement of employee in decision making and well satisfied employees who contribute for the success of the organizations. With this in mind, it is important to study the level of employee participation in decision making and job satisfaction. It was with this objective the study was undertaken. Based on the findings and the analysis, the following major summery, conclusions and recommendation were drawn.

This study was aimed at investigating the relationship of employee participation in decision making and job satisfaction in Gondar city revenue administration based on the questionnaire consisting of employees selected using stratified sampling method.

In descriptive part of the analysis, the results indicated that majority of the total respondents (50.4%) are female, (58.5 %) aged in the range of 35-26 years, (76%) are degree holders. (47.2%) have 3-4years working experience.

The findings of the study showed that there is a fairly high level of participation among respondents on aspects relating to participation in decision-making at the revenue administration, although had not been adequately participated was evidenced in a number of factors. The study showed that employees' knowledge of the revenue administration aims and targets, availability of seniors in discussing employees' concerns, worries, or suggestions, giving employees an opportunity to solve problems connected with their work and regular meetings to discuss organizational development. The findings revealed that decision-making is participatory in the above few components. Above all, the views and opinions of all the stakeholders are considered in informing decision-making at the revenue administration.

To the contrary, the findings showed that a number of aspects touching on participatory

decision-making are not accorded adequate attention at the revenue administration. These include: employees are encouraged to learn skills outside their immediate area of responsibility; the fact that decision-making in the departments is made through consultation with members of the department; award of extra responsibility by the seniors; support for extra training; keeping employees updated with what is happening in the organization; employees feel there is participation in decision making in the organization; boss made all the decisions in the department by himself; inviting their suggestions; being left to work without interference from seniors but help is available when needed and decisions made in the department related to individuals task. The prevalence of these would be attributed to the bureaucratic nature of public sector organizations in Ethiopia as well as lack of adequate leadership style to manage employees in democratic or participatory way.

The first hypothesis of the study the level of employees' participation in decision making at Gondar city revenue administration is low to confirm this in Table 4 of PDM shows that overall mean of Participation in decision making is 2.68 which were below the minimum value of 2.80 as many researchers argued. The finding shows that decision making at Gondar city revenue administration is not participatory.

The level of employees satisfaction were low both in the intrinsic and extrinsic satisfaction except some variables of the two satisfactions which means employees are moderately satisfied on security and moral value which are intrinsic variables. The second hypothesis of the study the level of employees' job satisfaction at Gondar city revenue administration is low to confirm this in Table 5 of level job satisfaction shows that overall mean of job satisfaction is 2.91 which were below the minimum value of 3.39 as many researchers argued. The finding shows that employees at Gondar city revenue administration are dissatisfied across all levels.

The third hypothesis correlation coefficients for the relationship between ways of participation in decision making and overall participation indecision making are positive ranging from very low to high correlation coefficients. Knowing of organization aim and targets, opportunity to solve problems and regular meeting with boss indicate that they have a strong and statistically significant relationship with participation indecision making. On the other hand invitation of employee suggestion, working without interference, the decision made in the department related to individuals task and have medium correlation coefficients and statistically significant

relationship with participation indecision making.

The fourth and fifth hypotheses of the study show that there is a positive strong relationship between job satisfaction with intrinsic and extrinsic satisfaction factors. As of Pearson correlation job satisfaction was found significantly correlate with both intrinsic and extrinsic satisfaction as well as their determinants at 99% level confidence.

The correlation coefficients for the relationship between intrinsic satisfactions with job satisfaction indicate that, there is strong and positive relationship between intrinsic satisfaction of job satisfaction which includes; authority and job satisfaction, social status and job satisfaction, security and job satisfaction, advancement and job satisfaction which are statistically significant at 99% confidence level. Furthermore, there are moderate and positive relationship between creativity and job satisfaction, moral values and job satisfaction, achievement and job satisfaction, Varsity and job satisfaction which are statistically significant at 99% confidence level.

On the other hand there is moderate and positive relationship between extrinsic satisfaction and job satisfaction which includes; co-worker and job satisfaction, working conditions and job satisfaction and supervision relationship and job satisfaction which are statistically significant at 99% confidence level.

The six hypothesis of the study there is a positive, strong and significant relationship between participation in decision making and job satisfaction. The Pearson correlation was found that strong and positive relationship between participation in decision making and job satisfaction and significantly correlates at 99% level of confidence.

The seven hypothesis of the study there is a positive, strong and significant relationship between participation in decision making and intrinsic and extrinsic job satisfaction factors, therefore, indicate that, there is strong and positive relationship between intrinsic satisfaction which includes; advancement, independence, ability to utilize and responsibility which are statistically significant at 99% confidence level. Furthermore, correlation results demonstrate that, there is moderate and positive relationship creativity, and authority which are statistically significant at 99% confidence level.

On the other hand from the correlations in table 9, therefore, indicate that, there is strong and positive relationship between extrinsic satisfaction which includes; compensation and working

condition. And also have moderate with supervision relationship and co-worker which are statistically significant at 99% confidence level. The findings indicate that the level of job satisfaction for workers at the revenue administration increases proportionately with an increase in their level of participation in decision-making.

Regress PDM (as dependent variable) on the ways of PDM (as independent variable)

When the other variables are controlled, nine of the explanatory variables are statistically significant at 99% confidence level, and the employees' knowledge of the revenue administration aims and targets is the best predictor of PDM. This is followed by the opportunity to solve problems and regular meeting with my boss, whilst giving them reasons why, and inviting their suggestions, the fact that decision-making in the departments is made through consultation with members of the department, keeping employees updated with what is happening in the organization, the decision made in the department related to individuals task, learn skills outside my responsibility area, availability of seniors in discussing employees' concerns, worries, or suggestions and being left to work without interference from seniors but help is available when needed are statistically significant, at 99% confidence level.

Regress of intrinsic and extrinsic satisfactions with job satisfaction. The result shows that employee intrinsic satisfactions and extrinsic satisfactions have significant effect on job satisfaction at 99% of confidence. The ten intrinsic variables ability to Utilization, achievement, advancement, authority, creativity, independence, moral values, Security, Social Service, and Social Status significantly explain the variation in job satisfaction and they are statically significant predictors of job satisfaction.

The five extrinsic variables, supervision relationship, supervision technical quality, working condition, compensation and policy significantly explain the variation in job satisfaction at 99% of confidence they are statically significant predictors of job satisfaction.

Regress of participation in decision making and job satisfaction. The result shows that employee participation in decision making has significant effect on job satisfaction at 99% of confidence PDM is statically significant predictor of job satisfaction.



## 5.2 Conclusion of the result

Gondar city revenue administration employee's level of participation in decision making is low except the way of participation in decision making as showed from the table 4 employees has only high level of participation: employees' knowledge of the revenue administration aims and targets (mean=3.50); giving employees an opportunity to solve problems connected with their work(mean=3.48); regular meetings to discuss organizational development and the seniors asks the juniors to do things(mean=3.32), availability of seniors in discussing employees' concerns, worries, or suggestions (mean=3.02). And moderate level of participation these include: employees are encouraged to learn skills outside their immediate area of responsibility (mean=2.88); the fact that decision-making in the departments is made through consultation with members of the department (mean=2.88); award of extra responsibility by the seniors (mean=2.84). The reaming ways of participation in decision making components are low these include: support for extra training(mean=2.76); keeping employees updated with what is happening in the organization(mean=2.72); employees feel there is participation in decision making in the organization(mean=2.68); boss made all the decisions in the department by himself(mean=2.65); whilst giving them reasons why, and inviting their suggestions (mean=2.53); being left to work without interference from seniors but help is available when needed(mean=2.19) and decisions made in the department related to individuals task (mean=2.15).

According to the researchers Florence (2011), Miodraga, Morj and Vensa (2014) mean score above 3.00 is considered high, 2.8-2.9 considered moderate and below 2.8 is low level of participation in decision making. The researcher concludes based on the findings show that decision-making at the revenue administration isn't participatory across all levels. Overall mean was found to be 2.68 which show low level of participation in decision making.

Most of Gondar city revenue administration employees were dissatisfied on the extrinsic satisfaction factors except security has moderate mean value (mean = 3.64 ) and moral values moderate mean value (mean= 3.46 std. deviation= .612 ) than other intrinsic satisfaction variables while others have low level of satisfaction indicated below 3.39 mean value such as; social services, achievement, recognition ,responsibility, social status , activity, ability, creativity, independence, Varity, authority and advancement (mean=3.36,3.24,3.11,2.96, 2.92,2.91,2.87,2.64,2.59,2.52 ,2.48 and 2.44 respectively) employees have low satisfaction.

In extrinsic satisfaction variables supervision relation, policy, compensation, technical quality of supervision and working conditions (mean = 3.00, 2.94, 2.88, 2.78 and 2.65 respectively) has low satisfaction, generally employees has low satisfaction on both intrinsic and extrinsic satisfaction (mean= 2.94 and 2.88 respectively), final the overall satisfaction of the employees on their job is low (mean = 2.91).

The correlation coefficients for the relationship between ways of participation in decision making and overall participation indecision making are positive ranging from very low to high correlation coefficients from knowing of organization aim and target, opportunity to solve problems and regular meeting with boss indicate that they have strong and statistically significant relationship with participation indecision making at 99% of confidence. On the other hand invitation of employees suggestions, working without interference of boss and the decision made in the department related to individuals task have a medium and statistically significant relationship with participation indecision making at 99% of confidence .

Employee's job satisfaction has strong correlation coefficients with intrinsic satisfaction variables which mean the correlation between job satisfaction and intrinsic variables is greater than 0.5. Likewise job satisfaction has strong correlation coefficients with all extrinsic satisfaction which mean the correlation between job satisfaction and extrinsic variables is greater than 0.5. In general the correlation coefficients between job satisfaction with intrinsic and extrinsic satisfaction are 0.576 and 0.674 respectively and statistically significant relationship at 99% of confidence.

Employee's participation in decision making has strong correlation coefficient with job satisfaction which means the correlation between participation in decision making and job satisfaction variables is greater than 0.5 which is 0.597. Moreover, Participation in decision making and job satisfaction found to be directly and significantly related at 99% of confidence. Participation in decision making also statistically and positively predicts the variation in job satisfaction. Participation in decision making has strong correlation coefficient with intrinsic satisfactions of advancement, independence, ability to utilize and responsibility. And compensation and working conditions of extrinsic satisfactions they are statically significant at 99% of confidence.

### **5.3 Recommendation**

The study identified a number of aspects relating to participation in decision making that influence employees level of satisfaction. However, some aspects require improvement going by the low mean rating obtained from their scores. These include; support for extra training; keeping employees updated with what is happening in the organization; employees feel there is participation in decision making in the organization; boss made all the decisions in the department by himself; whilst giving them reasons why, and inviting their suggestions; being left to work without interference from seniors but help is available when needed and decisions made in the department related to individuals task.

Most of employees of Gondar city revenue administration have low level of participation in decision making and job satisfaction which could result to unfavorable economic and non economic outcome such as high exit turnover, reducing the revenue collection effectiveness and budget of the city administration. So the policy maker and managers should pay more attention for the optimal provision of inviting employee suggestions; being left to work without interference from seniors but help is available when needed and decisions made in the department related to individuals task as they have medium correlation with PDM to reap the benefits of improved involvement and organizational citizenship. Also should give more attention for intrinsic satisfactions of advancement, independence, ability to utilize and responsibility. And compensation and working conditions of extrinsic satisfactions as they have strong correlation with PDM to reap the benefits of improved involvement and organizational citizenship.

For any organization the most important challenge is to retain the talented work force. In order to retain the talented work force it is very important to identify what motivates them in other word in which satisfaction areas employees has dissatisfaction. The study revealed that most employees of the revenue administration has low satisfaction intrinsic satisfaction factors such as social services, achievement, recognition ,responsibility, social status , activity, ability, creativity, independence, Varsity, authority and advancement. So the management of the revenue administration should pay more attention to the, advancement, social status, authority, achievement, independence and social service practices of revenue administration as they have strong correlation with job satisfaction. It can reduce the employee turnover and the cost

associated with it. It is possible that when employees judge the organization to be providing good opportunity for promotion, respected in the community, being in charge of others, able to see the results of the job they do, opportunity to work alone, able to help others and positive feelings of well being will be created.

In extrinsic satisfaction factors, supervision relation, policy, compensation, technical quality of supervision and working conditions the study revealed that most employees of the revenue administration has low satisfaction. So the management of the revenue administration should pay more attention to the working conditions as it has highest correlation with job satisfaction. It can reduce the employee turnover and the cost associated with it. It will be created a good physical surroundings and working condition of workers.

Employees should properly know the goal and values of the revenue administration and strive to achieve them. Moreover, they should engage themselves in activities which are important for the development and growth of the revenue administration. They should participate in departmental activities including being a department head. They should spend extra hours in their offices to consult and follow up employee. Furthermore, they should prepare and organize workshops, seminars and conferences which supplement the revenue collection process.

The relationship between employees and employer should be improved, creating the give and take environment is essential to maintain a good relationship, both parties must willing to complement, appreciate and reciprocate with each other. Practically if the employer want the employees to be actively participate in decision making in the organization, the employer should gave the full attention and emphasize the quality of job satisfaction among their employees.

Finally those managers and supervisors should take managerial trainings especially on the human resource aspect which neutralize the arbitrary managerial behaviors and enable them to care for employee's welfare and provide a more participatory working place.

#### **5.4 Recommendations for Further Studies**

Based on the experiences gained during conducting the present study, the following potential researchable which are not addressed by this researcher because of scope delineation are identified:

This study targeted employees of Gondar city revenue administration at Gondar city revenue administration only. There could be different perceptions about job satisfaction and decision making among other employees in other revenue administration area as well. This is the area which needs to be studied.

There is a significance relationship between participation in decision making and job satisfactions found in this study and it is suggested that the future study should focused on other antecedents and consequence found to be important in previous organizational behavior research in order to look at a broader ways of participation in decision making.

Study on the relationship between employee participation in decision making and organizational performance at Gondar city revenue administration can be undertaken.

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## Appendices

### Appendix A: Questionnaire involving employee participation in diction making and job satisfaction

#### University of Gondar

Collage of Business & Economics

Department of Management

Questionnaire to be filled by respondents

Dear Respondent;

The purpose of this questionnaire is to collect primary data for conducting a study on the topic:

*"The relationship between employee participation in diction making and job satisfaction at Gondar city revenues authority"* as partial fulfillment to the completion of the Master of Business Administration (MBA) program at the University of Gondar. In this regard I kindly request you to provide me reliable information that is to the best of your knowledge so that the findings from the study will meet the intended purpose.

I strongly assure you of confidential treatment of your responses and would like to extend my deep appreciation in advance for being a volunteer to devote your valuable time in filling this form.

Sincerely, **TESHAGER BAYE (MBA student)**

Directions:

- No need to write your name.
- In case you have ambiguities on any of the questions, please do not hesitate to contact me via my cell phone (**0918710755**).

#### Part I. Personal Profile:

1. Sex:      1) Male      2) Female
2. Age:      1) 18-25      2) 26-35      3) 36-45      4) 46 & above
3. Educational Background:   1) certificate 2) Diploma 3) First Degree 4) Master
4. How long have been working in Gondar city revenues authority?  
1) 1 - 2 years    2) 3 - 4 years 3) 5 - 7years 4) 8 - 10 years    5) above 10 years\_\_\_\_\_

**Part II. With respect to your own feelings about the Participation in Decision Making components;**  
the given alternatives which shows that (1 = Never, 2 = occasionally, 3 = often, 4 = mostly, 5= Always).  
Put your most appropriate opinion by making a *circle on a number*.

	Never	occasionally	often	mostly	Always
1. I am left to work without interference from my boss, but help is available if I want it	1	2	3	4	5
2. I know what the organization's aims and targets are	1	2	3	4	5
3. My boss is available for me to discuss my concerns or worries or suggestions	1	2	3	4	5
4. The decisions in my department are made through consultation with members of the department	1	2	3	4	5
5. The decisions in my department are made by those individuals in the department who charged with the task	1	2	3	4	5
6. I am encouraged to learn skills outside of my immediate area of responsibility	1	2	3	4	5
7. My boss asks me politely to do things, gives me reasons why, and invites my suggestions	1	2	3	4	5
8. I am given an opportunity to solve problems connected with my work	1	2	3	4	5
9. My boss tells me what is happening in the organization	1	2	3	4	5
10. My boss makes all the decisions that affect the department all by himself or herself	1	2	3	4	5
11. If I want extra responsibility my boss will find a way to give it to me	1	2	3	4	5
12. If I want extra training my boss will help me f 13. ind how to get it or will arrange it	1	2	3	4	5
14. I have regular meetings with my boss to discuss how I can improve and develop	1	2	3	4	5
15. I feel employees are participate indecision making in the organization	1	2	3	4	5

### Part III. Minnesota satisfaction Questionnaire (MSQ)

#### 1. Dear respondents, Questionnaires to assess employee job satisfaction

**Instructions:** Please indicate your level of satisfaction with respect to the following items related to your job using the following scale. Please *circle* your response.

	Items	Very dissatisfied	Dissatisfied	Neither dissatisfied nor satisfied	Satisfied	Very satisfied
1	being able to see the results of the job I do, I am	1	2	3	4	5
2	being able to take pride in a job well done, I am	1	2	3	4	5
3	The chance to do work that is well suited to my abilities, I am	1	2	3	4	5
4	The chance to do something that makes use of my abilities, I am	1	2	3	4	5
5	Being able to do something much of the time, I am	1	2	3	4	5
6	Being able to stay busy, I am	1	2	3	4	5
7	The opportunities for advancement in this position, I am	1	2	3	4	5
8	The way promotions are given out in this position, I am	1	2	3	4	5
9	The revenue authority policies and the way in which they are administered, I am	1	2	3	4	5
10	The way employees are informed about revenue authority policies, I am	1	2	3	4	5

11	The chance to have others look to me for direction, I am	1	2	3	4	5
12	The chance to tell people what to do, I am	1	2	3	4	5
13	The amount of pay for the work I do, I am	1	2	3	4	5
14	How my pay compares with that of other organization , I am	1	2	3	4	5
15	The spirit of cooperation among my co-workers, I am	1	2	3	4	5
16	The chance to develop close friendships with my peers, I am	1	2	3	4	5
17	The chance to do new and original things on my own, I am	1	2	3	4	5
18	The chance to try something different, I am	1	2	3	4	5
19	The chance to work alone on the job, I am	1	2	3	4	5
20	The chance to work independently of others, I am	1	2	3	4	5
21	Being able to do things that don't go against my religious beliefs, I am	1	2	3	4	5
22	The chance to do things that don't harm other people, I am	1	2	3	4	5
23	The way I get full credit for the work I do, I am	1	2	3	4	5
24	The way they usually tell me when I do my job well, I am	1	2	3	4	5
25	The chance to be responsible planning my work, I am	1	2	3	4	5
26	The chance to be responsible for the work of others, I am	1	2	3	4	5
27	The way my job provides for a secure future, I am	1	2	3	4	5
28	The way that layoffs and forced transfers are avoided in my job, I am	1	2	3	4	5
29	The chance to be of service to others, I am	1	2	3	4	5
30	The chance to help others, I am	1	2	3	4	5

31	The social position in the community that goes with my job, I am	1	2	3	4	5
32	My The chance to be “somebody” in the community, I am	1	2	3	4	5
33	The way my supervisor and I understand each other, I am	1	2	3	4	5
34	The way my supervisor handles employees, I am	1	2	3	4	5
35	The technical “know how” of my supervisor, I am	1	2	3	4	5
36	The way my supervisor delegates work to staff members, I am	1	2	3	4	5
37	The routine in my work, I am	1	2	3	4	5
38	The chance to do something different every day, I am	1	2	3	4	5
39	The physical surroundings where I work, I am	1	2	3	4	5
40	The working conditions, I am	1	2	3	4	5

**Thank you!!**

## Appendix B: PDM Questionnaire scoring key

<b>PDM</b>	<b>Subscales (Raw factors)</b>	<b>Question</b>	<b>Items code</b>
		<b>#</b>	<b>#</b>
	Knowing organizational aims and targets	<b>2</b>	<b>106</b>
	Opportunity to solve problems	<b>8</b>	<b>112</b>
	Regular meeting with my boss	<b>13</b>	<b>117</b>
	Invitation of suggestion	<b>7</b>	<b>111</b>
	Learning skill outside current responsibility	<b>6</b>	<b>110</b>
	Consultation	<b>4</b>	<b>108</b>
	Getting extra responsibility	<b>11</b>	<b>115</b>
	Getting extra training	<b>12</b>	<b>116</b>
	Getting information about the organization	<b>9</b>	<b>113</b>
	Feeling of participation in decision making	<b>14</b>	<b>118</b>
	The decision made by boss himself	<b>10</b>	<b>114</b>
	Discussion of employee concerns	<b>3</b>	<b>107</b>
	Working without interference	<b>1</b>	<b>105</b>
	The decision made related to individuals task	<b>5</b>	<b>109</b>



**Appendix C: Minnesota satisfaction Questionnaire (MSQ) scoring key**

<b>JOB SATISFACTION</b>	<b>Subscales (Raw factors)</b>		<b>Question</b>	
	<b>Intrinsic satisfaction</b>	<b>Extrinsic satisfaction</b>	<b>#</b>	<b>#</b>
	Advancement		7	8
	Security		27	28
	Social service		29	30
	Variety		37	38
	Creativity		17	18
	Independence		19	20
	Moral Values		21	22
	Authority		11	12
	Activity		5	6
	Ability to utilize		3	4
	Social status		31	32
	Achievement		1	2
	Recognition		23	24
	Responsibility		25	26
		Supervision relationship	33	34
		Supervision technical quality	35	36
		Co-worker	15	16
		Compensation	13	14
		Policies	9	10
		Working conditions	39	40